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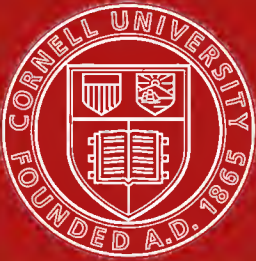
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Prospectus
of
The Oriental Development
Company



Published
By
The Oriental Development Co., Ltd.
Tokyo, Japan
May, 1921

ERRATA.

on p. 5, line 10 *for* Kokai *read* Kokei.

„ „ „ lines 18. and 19 *for* Basan *read* Masan.

on p. 10, line 6, *for* improvement *read* improvement.

„ „ „ line 27, *for* miscellanious *read* miscellaneous.

on p. 11, line 6, *for* Kijo *read* Keijo.

„ „ „ line 21, *for* Kigys *read* Kigyo.

on p. 12, line 6, *for* Kaisha *read* Ginko.

on p. 21, line 5, *for* Bye-Eaw *read* Bye-Law.

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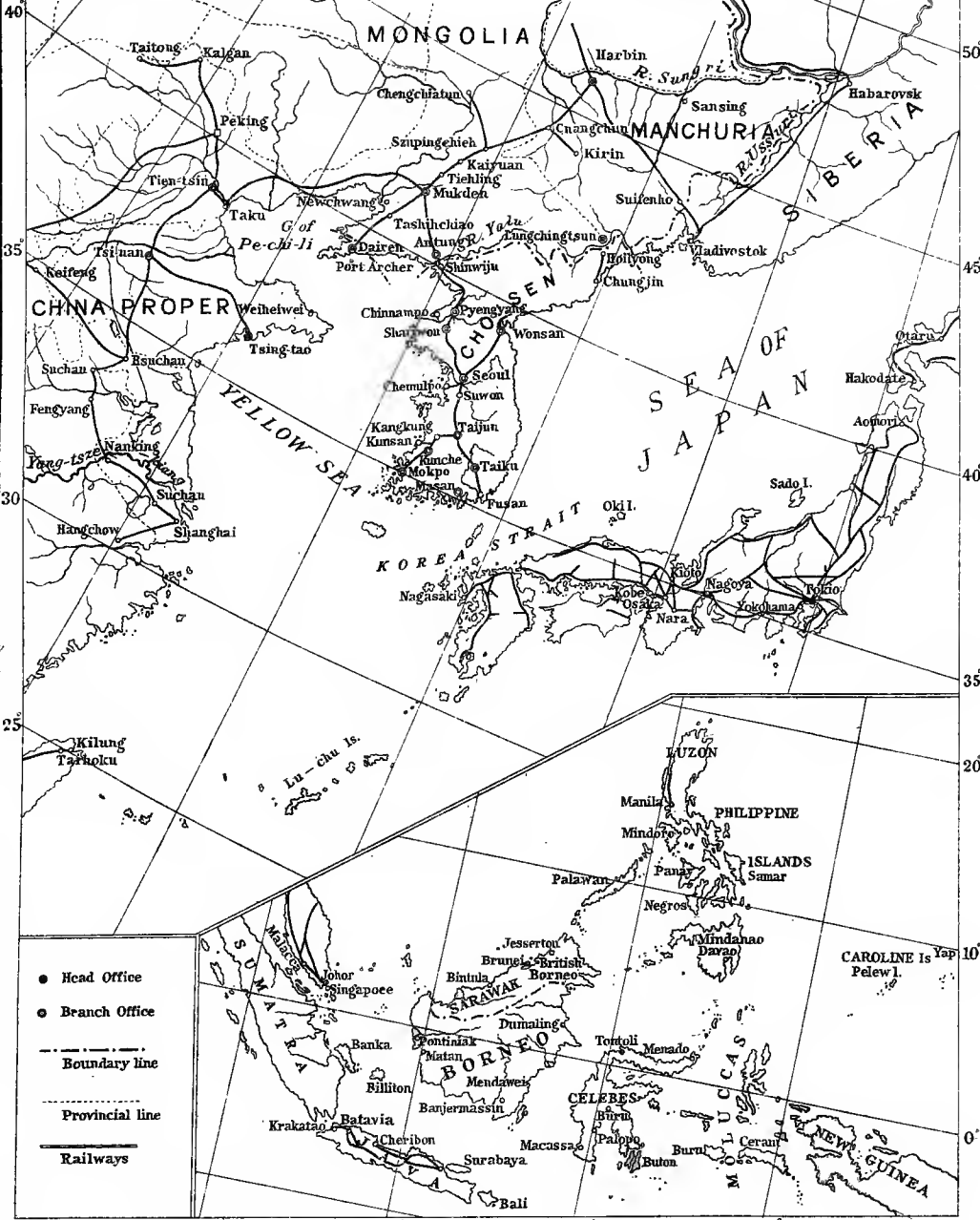
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The Work of the Oriental Development Company, Limited.

Chapter I.

THE ORGANIZATION OF THE COMPANY.

THE ORIGIN OF THE COMPANY.

Early in the beginning of the Twentieth century Japan was forced to take a special position concerning the political as well as economic affairs of the Korean peninsula. The relation between Japan and Korea has gradually become much closer and far stronger than before and the heavy burden of giving guidance and support to the Koreans has fallen on the shoulders of Japan and her people. It is therefore a matter of responsibility for Japan that she should faithfully discharge her new duty of helping Korea and the Koreans in the material and spiritual development in order that they also may become partakers of the gifts of modern civilization.

Thus the interdependence of Korea and Japan has actually been formed, and it has become one of very pleasant duties of the latter to promote the economic and industrial growth of the former by developing the natural resources thereof. As a result, the Government authorities of the two countries, after a series of deliberate consultations, at length came to a conclusion that they should start a company for the purpose of the development of Korea and that they should enter into a treaty about the matter, which was finally concluded in 1908.

According to this treaty, it was arranged that a company with the development of Korea for its sole aim and purpose should be organized, that the government of Japan should grant

an annual subsidy of three million yen for eight years after its establishment, that the government of Korea should furnish the company with a part of the land owned by the government for the Company's use, that a certain number of competent farmers with exemplary conduct should be sent from Japan as settlers for the model farms to be set up.

The result of this treaty was the advent of the Oriental Development Company, Limited, in Korea. The law concerning this company was promulgated almost simultaneously by the respective Governments both in Seoul and in Tokyo, on the 26th of August, 1908, and on the 29th of January, 1909, the actual work was started at the capital of Korea.

In August, 1910, Korea was incorporated with Japan and became a part of the Empire. The Imperial Government, none the less continued in encouraging the industrial development of Korea and pushed on the work already begun farther than before. The work of the company also began to take good turns and has made steady progress. But in order to keep pace with the progress of the times the Company found it necessary to alter its rules so as to adjust itself to the situation. Consequently, in July, 1917, the alterations were made in the Laws of the Company, and both the scope and the description of the business of the company were greatly enlarged whilst its district of business was extended to the outside of Korea.

In October, 1917, the Head office was removed from Keijo (Seoul), Korea, to Tokyo and at the same time a branch office was opened at Mukden and another at Dairen. Again, in 1919, a branch office was opened at Kharbin and another at Tsingtao. It is also said that the establishing branch offices at New York and in some of the South Sea Islands has been under consideration, and will be realized in the near future.

THE CAPITAL STOCK OF THE COMPANY. The capital stock of the Company was originally ¥10,000,000. But it was first increased to ¥20,000,000 in May, 1918, and then to ¥50,000,000 in October, 1919, for the second time. This was due to the fact that the post-bellum industrial work required a much

larger fund than was originally expected. The increase of the Capital and the payment thereof may be tabulated as under :

Year	Amount of capital	Paid up capital	Unpaid capital	Remark Colum
1908	¥10,000,000	¥ 2,500,000	¥ 7,500,000	1st payment made on the 14 of December, 1908.
1909	10,000,000	2,500,000	7,500,000	
1910	10,000,000	2,500,000	7,500,000	
1911	10,000,000	5,000,000	5,000,000	2nd payment made on the 5th of July, 1911.
1912	10,000,000	7,500,000	2,500,000	3rd payment made on the 6th of June, 1912.
1913	10,000,000	10,000,000	nil	4th payment made on the 10th of April, 1913.
1914	10,000,000	10,000,000	"	
1915	10,000,000	10,000,000	"	
1916	10,000,000	10,000,000	"	
1917	10,000,000	10,000,000	"	
1918	20,000,000	12,500,000	7,500,000	1st payment for the first new shares made on the 31, July, 1918.
1919	50,000,000	27,500,000	22,500,000	2nd payment for the first New shares (¥2,500,000) made on 15th Oct., 1919.
				1st payment for the 2nd New shares (¥77,500,000) made on 29th Nov, 1919.
				3rd payment for the first New, shares (¥2,500,000) made on 29th Nov, 1919.
				4th payment for the first New shares (¥2,500,000) made on 20th, March, 1920.

The stock of the Company is divided into 1,000,000 shares in all, each share being ¥50. The first 200,000 shares were subscribed and issued in 1908 and another 200,000 shares in 1918. These two kinds are designated as "the old shares" and they are all paid up. The remaining 600,000 shares subscribed and issued in 1909 are called "the New shares," each share of which is only one-fourth paid up.

THE COMPANY'S DEBENTURE AND THE RESERVE FUND. According to "the Law concerning the Oriental Development Company," the Company has a right to issue "the Oriental Development Company's Debentures" as much as ten times of the amount of the Company's paid up capital. At present, however, the issue of the company's Debentures amounts only to ¥81,950,000.

The Company, as mentioned in Art. 31, at the end of each business year, had to set aside eight per cent or more of the

profits as a reserve fund for making good any deficit in its capital stock and two per cent or more of the profits in order to equalize dividends. At present, the former amounts to ¥3,888,443, whilst the latter to ¥340,788, the total reserve fund of the company being ¥4,229,231.

To the Company the Government granted a subsidy at the rate of ¥300,000 per annum for a period of eight years from its establishment. Again, the Government decided that for the period of the business years running from 1917 to 1924, the dividends for the 60,000 shares owned by the Government shall not be claimed. This is a special favour and is really a subsidy in disguise, whilst the Government gives another favour in the form of a special security against the payment of both the principal and the interest of the Oriental Development Debenture floated in any other country than Japan.

THE HEAD OFFICE AND BRANCH OFFICES OF THE COMPANY.

The Head office of the Company was formerly situated in the Kogane Machi, Seoul. It existed there from the time of its establishment in November, 1908 to July, 1917, when it was removed to Tokyo. There are at present 14 branch offices stationed in different parts of Korea, Manchuria, Eastern Siberia and Central China. The following seats of branch offices may show how widely the business district of the Company is extended over different parts of the Far East.

The Head office : The Oriental Development Company, Limited :

No. 1, 1-chome, Yurakucho, Kojimachi-ku, Tokyo, Japan.

The Branch offices :

The Keijo (Seoul) Branch office of the Company.

No. 195, 2-chome, Kogane-machi, Keijo, Chosen (Korea).

The Mukden Branch office :

No. 18, Nishi Rokujo-machi, Mukden, Manchuria

The Dairen Branch office :

No. 38, District III, Dairen, Kwanto-shu (Kwantung Province).

The Kharbin Branch office :

Novogodanaya Street, Wharf District, Kharbin.

The Tsingtao Branch office :

No. 25, Saga-machi, Tsingtao, China.

The Suigen Branch office :

Suigen-men, Suigen-gun, Keiki-do, Chosen.

The Kokai Branch office :

Kokei-men, Ronsan-gun, Chusei Nando, Chosen.

The Kintei Branch office :

Kintei-men, Kinten-gun, Zenra Hokudo, Chosen.

The Moppo Branch office :

Moppo, Ra-shu-gun, Zenra Nando, Chosen.

The Taiku Branch office :

Taiku Fu, Keishodo, Chosen.

The Basan Branch office :

Basan Fu, Keisho Nando, Chosen.

The Shari-in Branch office :

Heisen-men, Hosan-gun, Kokaido, Chosen.

The Heijo Branch office :

Heijo-fu, Heian Nando, Chosen, Chosen.

The Gensan Branch office.

Gensan-fu, Kankyo Nando, Chosen.

THE EXTENSION OF THE COMPANY'S WORK. Originally the aim and purpose of the company was limited only to the development work in the Korean peninsula. But the progress of the world and the necessity of the times compelled the Company to extend its business district beyond Korea and by the end of 1917 the development work in Kwantung Peninsula and that in Manchuria and Mongolia besides that in Eastern Siberia, more especially, that in the East

of Baikal, at last came under the management of the Company, whilst in 1919 the Company had to carry out its business in the Provinces of Pechili, Shantung, and Kiansu in China as well as in some of the South Sea Islands.

THE COMPANY'S OFFICIAL— The principal officials of the
PRINCIPAL AND OTHERS. Company consists of one President, four Directors and three Supervisors. The President is appointed by the Government and the term of his office is five years. According to the law, the number of Directors may be three or more. The Government appoints the Directors from among the candidates who are again elected twice the number to be appointed at a general meeting of share-holders from the share-holders holding not less than fifty shares each. The term of their office is four years.

The supervisors are elected at a general meeting of share-holders from among the share-holders holding not less than thirty shares each. The term of their office is two years.

The following are the Principal Officials :

Hon. Eizo Ishizuka, President,
Viscount Naohira Matsudaira, Director,
Hon. Tsunero Kawakami, Director,
Hon. Jiro Hitomi, Director,
Hon. Juro Natsuaki, Director.

The personnel other than the principal officials are 443 persons consisting of one advisor, 10 technical Experts, 63 counsellors, 218 clerks and 131 assistant-Engineers besides 12 men on probation service.



Chapter II.

THE DESCRIPTION OF THE COMPANY'S BUSINESS.

THE BUSINESS CAPACITY OF THE COMPANY. According to Art. II of the Law concerning the Oriental Development Company, Limited, the company has to conduct the following business in Korea and elsewhere :

1. Supplying funds necessary for development;
2. Agriculture, water utilization undertakings, and acquiring, managing and disposing of lands all necessary for development;
3. Recruiting and distributing settlers necessary for development;
4. Constructing, purchasing, selling, leasing and renting of building necessary for settlers;
5. Furnishing settlers and farmers with articles necessary for development and for distribution of articles produced by them;
6. Managing or taking charge of land in trust;
7. Other undertakings necessary for development;
8. Receiving the fixed deposit.

In short, the business of the Company may be summed up under three heads, the work of banking, fostering the growth of agriculture and industry and that of giving facility to the settlers. Needless to say, this last work of giving facility to the settlers is only limited to those in Korea. But from the beginning the Oriental Development Company has been very keen in trying to be useful as a banking organ to those who are engaged in the agricultural and industrial work whilst it has been successfully farthing the growth of agriculture and industry in the peninsula.

THE COMPANY AS A BANKING ORGAN. This side of the Company's work may be treated under the four headings: First, How the fund necessary for development is supplied; secondly, the actual state of loans; thirdly, the Company's subscribing or underwriting shares or debentures issued by the Corporation engaging in development undertakings; and finally, How the Special loan on the security of real property is made.

(A) How the fund necessary for development is supplied by the Company.

In July, 1917, from regard to the progress of the times many alterations were made in the laws of the Company. Above all, the complicated formalities through which the fund for development could only be supplied have greatly been dispensed with.

At present, it is effected by the following :

1. To make loans to settlers for expense concerning settlement, to be reduced in annual instalments within twenty-five years, or a fixed times within five years;
2. To make loans to producers for a period less than one year on the security of articles produced by them; in making this loan, discount bills may be used;
3. To make loans on the immovable properties, railways, mining concessions and legal right on immovable properties, to be redeemed in annual instalments within thirty years, or at fixed times within five years;
4. To make loans without security to Public Corporations or the Industrial Associations organized by virtue of Special Laws, to be redeemed in annual instalments within thirty years, or at fixed times within five years;
5. To make loans without security to farmers not less than twenty in number bound by a joint obligation, to be redeemed at fixed times within five years;
6. To make loans on the security of the shares or debentures issued by such Corporations engaging in dealing with emigrants or in development undertakings;

7. To make loans on the security of estates (Zaidan) created by virtue of special laws, or on other reliable securities, to be redeemed in annual instalments within thirty years, or at fixed times within five years.

(B) The actual state of loans made by the Company.

The value of land in Korea gradually rose; and all the industrial undertakings began to take better turns. More especially, during the Great European War, as elsewhere, business activities became very brisk. Consequently, the demand for funds to continue the work in Korea suddenly increased.

Furthermore, a great amount of funds is required for the industrial undertakings in Manchuria and Mongolia. At present, the Company is discharging this duty too. The following will show the actual state of loans made by the Company during the last 11 years :

Year	Fixed loan		Annual instalment payment		Sum Total		Average per head	
	No. of loans	Amount	No.	Amount	No.	Amount		
1909	17	¥ 221,900	—	¥ —	17	¥ 221,900	13,052	
1910	126	429,730	6	157,800	132	587,530	4,450	
1911	210	514,369	57	623,100	267	1,137,469	4,260	
1912	314	925,147	132	1,476,679	446	2,401,826	5,385	
1913	791	1,452,668	272	2,457,022	1,063	3,909,690	3,677	
1914	1,032	1,667,962	603	3,604,708	1,635	5,272,670	3,224	
1915	1,005	1,441,597	977	4,158,878	1,982	5,600,476	2,825	
1916	828	1,287,631	1,069	4,320,967	1,897	5,608,598	2,808	
1917	Seoul	600	1,621,274	1,462	6,646,287	2,062	8,267,561	4,009
	Mukden	18	938,020	62	526,300	80	1,464,320	18,304
	Dalny	3	38,000	76	661,820	79	699,820	8,858
	Total	621	2,597,294	1,600	7,834,407	2,221	10,431,701	4,787
1918	Seoul	872	3,680,289	2,668	13,981,238	3,540	17,661,527	4,989
	Mukden	161	8,288,285	230	2,095,400	391	10,383,685	26,556
	Dalny	131	1,205,094	279	2,377,600	410	3,582,694	8,738
	Total	1,164	13,173,668	3,177	18,454,238	4,341	31,627,906	7,285
1919	Tokyo	9	3,030,800	—	—	9	3,030,800	336,755
	Seoul	1,755	7,934,883	5,126	24,660,575	6,881	32,595,458	4,737
	Mukden	491	8,919,198	427	6,999,390	918	15,918,588	37,185
	Dalny	197	4,365,423	421	5,264,051	618	9,629,474	15,518
	Kharbin	86	5,029,162	14	421,846	100	5,451,008	54,510
	Tsingtao	38	3,144,400	31	487,300	69	3,631,700	52,633
	Total	2,576	32,423,866	6,019	37,833,162	8,595	70,257,028	8,175

Note: The branch office at Kharbin was opened on the 10th of June, 1919, whilst that of Tsingtao on the 10th of July, 1919. The Dalny (Dairen) branch office has ¥494,000 in special loans.

How the funds supplied by the above loans are used may be learned from details tabulated as under. The table shows the loans at the end of 1919 against those of 1918.

Use	1919		1918		Increase or decrease	
	No.	Amount	No.	Amount	No.	(*show decrease)
Land improvement and the work of clearing land	4,490	¥18,141,496	2,396	¥8,860,883	2,094	¥ 9,280,613
Streets laying	1,588	19,806,196	527	6,009,592	1,061	13,796,604
Utilization of water	101	4,011,876	114	3,737,146	* 13	274,730
Agricultural works	1,087	4,745,329	351	2,050,369	736	2,694,960
Forestry	263	2,927,339	203	2,209,309	60	718,030
The ginseng cultivation	27	275,365	40	367,324	* 13	* 91,959
Fruit-tree planting	109	274,636	109	187,860	—	86,776
Sericulture	210	412,788	149	255,275	61	157,513
Live-stock	34	659,029	13	250,244	21	408,785
Aquatic products industry ..	27	143,418	20	52,824	7	90,594
Mining	25	4,470,100	14	2,588,000	11	1,882,100
Paper manufacture	19	35,332	20	33,417	* 1	1,915
Rice-cleaning work	42	347,318	18	85,237	24	262,081
Ceramics	29	365,514	13	120,218	16	245,296
Brewery	54	455,206	32	123,433	22	331,773
Sanitary works	11	535,407	9	571,263	2	* 35,856
Educational works	32	237,272	37	226,483	* 5	10,789
Iron works	6	109,096	2	13,208	4	95,888
Industries	73	2,282,743	47	751,907	26	1,530,836
Transportation & Communication	19	3,028,500	7	816,910	12	2,211,590
Miscellaneous	349	6,993,067	220	2,317,002	129	4,676,065
Sum total	8,595	70,257,028	4,341	31,627,904	4,254	38,629,124

(C) Subscribing or underwriting shares or debentures issued by other Corporations.

As a result of the revision of the Law concerning the Oriental Development Company, the Company is now entitled to subscribe or underwriting shares or debentures issued by the Corporations engaging in dealing with emigrants or in development undertakings. The details of subscribing or underwriting may be tabulated as under :

(a) The shares subscribed by the Oriental Development Company.



The Cattle exported by the Oriental Cattle Company.



The Korean Electric Industrial Company.

Name of companies	Date of establishment	Main office	Capital and shares	Number of shares subscribed by the O.D.C.	Amount paid in by the O.D.C.
The Kaigai Kogyo Kaisha.	Nov., 10, 1917.	Tokyo	¥ 10,000,000 (shares 200,000)	50.200 shares	¥627,500
The Toyo Chikusan Kogyo Kaisha.	Oct., 10, 1918.	Keijo	¥ 2,000,000 (shares 40,000)	10.000	502,500.
The Chosen Denki Kogyo Kaisha.	May, 10, 1919.	Senkyori	¥ 10,000,000 (shares 200,000)	50.000	750.000.
The Chosen Shokusan Ginko.	Oct., 10, 1918.	Kijo	¥ 30,000,000 (shares 600,000)	609	15.225.
The Chosen Hiryo Kaisha.	Dec., 10, 1919.	Shin-gishu	¥ 3,000,000 (shares 60,000)	24.000	300.000.
The Toindo Kigyo Kaisha.	July, 29, 1919.	Tokyo	¥ 1,000,000 (shares 20,000)	2.000	25.000.
The Chosen Sangyo Tetsudo Kaisha.	Feb., 10, 1910.	Keijo	¥ 20,000,000 (shares 400,000)	30.000	150.000
The Asia Tobacco Kaisha.	Sept., 30, 1919.	Shanghai	¥ 10,000,000 (shares 200,000)	3.000	37.500.
The Chosen Chuuo Tetsudo Kaisha.	Apr., 26, 1916.	Taiko	¥ 12,000,000 (shares 240,000)	5.000	62,500.
The Manmo Keori Kaisha.	Dec., 25, 1918.	Mukden	¥ 10,000,000 (shares 200,000)	40.000	700.000
The Tosho Jitsugyo Kaisha.	May, 14, 1918.	Mukden	¥ 3,000,000 (shares 60,000)	15.300	765.000.
The Ryoto Ginko	Apr., 2, 1916.	Dairen	¥ 1,000,000 (shares 20,000)	2.000	75.000
The Chosen Shinrin Tetsudo Kaisha.	Feb., 00, 1920.	Keijo	¥ 20,000,000 (shares 400,000)	87.000	435.000.
The Hokuman Denki Kaisha.	Apr., 10, 1918.	Kharbin	¥ 1,200,000 (shares 24,000)	6.000	225.000.
The Seisen Shokusan Tetsudo.	Nov., 11, 1919.	Keijo	¥ 10,000,000 (shares 200,000)	50.000	750.000.
The Hishika Ginko.	Jan., 00, 1917.	Hishika	¥ 1,000,000 (shares 20,000)	5.000	62.500
The Toa-doboku Kaisha.	Jan., 10, 1920.	Dairen	¥ 5,000,000 (shares 100,000)	2.000	25.000.
The Ryuwa Koshi.	Feb., 6, 1920.	Tentsing	¥ 5,000,000 (shares 100,000)	50.000	625.000.
The Santo Kigys Kaisha.	Jan., 17, 1920.	Tsingtao	¥ 10,000,000 (shares 200,000)	44.000	550.000.
The Nippon Shintaku Ginko.	Mar., 10, 1920.	Osaka	¥ 50,000,000 (shares 1,000,000)	50.000	1,250.000

Total shares subscribed by the company being 526,109, whilst Total amount paid by the company ¥7,632,725.

The Company may supply the above mentioned companies working fund as the case may require.

(b) The Debentures subscribed by the Oriental Development Company, Ltd.

Besides these shares mentioned above the Company subscribed the Debentures, at the end of November, 1920, to the extent mentioned below :

¥2,800,000 for the Debentures issued by the Kaigai Kogyo Kaisha;

¥1,325,190 for the Debentures issued by the Tosho Jitsugyo Kaisha;

¥2,950,000 for the Debentures issued by the Chosen Shokusan Kaisha;

¥600,000 for the Debentures issued by the Hokuman Denki Kaisha;

¥170,000 for the Debentures issued by the Toyo Chikusan Kogyo Kaisha;

Sum total being ¥7,845,190.

(c) The Debentures issued by the Oriental Development Company.

The Company, as mentioned in the Law concerning the Oriental Development Company, Limited, may issue the Debentures provided that their maximum limit does not exceed ten times the amount of the Company's paid up capital. The actual debentures may be seen from the details tabulated as under:

Kind	Total amount of debentures issued	Amount redeemed	Amount unredeemed	Interest	Date of issue	The period the debenture left unredeemed	The period of redemption	Date of Interest paid
1st	¥ 19,350,000	¥ 852,367.50	¥18,497,632.50	5%	March, 1913	Sept., 1917	Sept., 1942	March Sept.
2nd	2,000,000	50,000—	1,950,000—	5 $\frac{3}{10}$ %	April, 1917	March, 1920	March, 1937	"
3rd	10,000,000	250,000—	9,750,000—	6%	Oct., 1917	Oct., 1920	Oct., 1930	June Dec.
4th	5,000,000	—	5,000,000—	5%	Nov., 1917	Nov., 1921	Nov., 1932	"
5th	5,000,000	—	5,000,000—	6 $\frac{1}{2}$ %	Jan., 1919	Jan., 1921	Jan., 1926	"
6th	5,000,000	—	5,000,000—	6 $\frac{1}{2}$ %	Aug., 1919	Aug., 1921	Aug., 1926	"
7th	10,000,000	—	10,000,000—	6 $\frac{1}{2}$ %	Oct., 1919	Oct., 1921	Oct., 1929	"
8th	2,000,000	—	2,000,000—	5 $\frac{1}{10}$ %	Dec., 1919	Dec., 1924	Dec., 1929	"
9th	5,000,000	—	5,000,000—	7%	March, 1920	March, 1921	March, 1925	"
10th	3,000,000	—	3,000,000—	7%	March, 1920	March, 1921	March, 1925	"
11th	600,000	—	600,000—	5 $\frac{1}{2}$ %	April, 1920	April, 1922	April, 1925	"
12th	5,000,000	—	5,000,000—	7 $\frac{1}{2}$ %	July, 1920	July, 1921	July, 1922	"

Kind	Total amount of debentures issued	Amount redeemed	Amount unredeemed	Interest	Date of Issue	The period the debenture left unredeemed	The period of redemption	Date of Interest paid
13th	¥ 5,000,000	¥ —	¥ 5,000,000—	7½%	Aug., 1920	Aug., 1921	Aug., 1922	June Dec.
14th	5,000,000	—	5,000,000—	7½%	Sept., 1920	Aug., 1921	Aug., 1923	"
15th	5,000,000	—	5,000,000—	7½%	Sept., 1920	Sept., 1922	Sept., 1925	"
Total	86,950,000	1,152,367.50	85,797,632.50	—	—	—	—	—

Note: The first Debentures of the Company were issued in Paris to the extent of 50,000,000 francs in March, 1912, through the instrumentality of the Industrial Bank of Japan. The 2nd, the 4th, the 8th and the 11th Debentures were all subscribed by the Deposit Section of the Imperial Finance Department whilst the rest were all subscribed by the public at home.

(E) Special loans.

Since May, 1910, the Yokohama Specie Bank, through its Branch offices in different parts of Manchuria, has been practically a banking organ supplying the necessary funds to the Japanese for the development work there. It so far made long-dated loans at a comparatively low rate of interest. But in October, 1917, the Oriental Development Company was able to open its branch offices at Mukden and Dalny. Hereupon, the Government thought it proper that all loans made by the Yokohama Specie Bank should be transferred to the Company and that the Company should undertake all sorts of business concerning the same. As a result, on the 10th of November, 1917, the loan amounting to ¥1,581,897.85 was transferred to the Company whilst at the end of February, 1918, ¥224,000 in silver was transferred. These special loans so called amounted to ¥1,076,117 contracted by 125 persons. During the Year 1919, ¥581,455 by 65 persons were redeemed, leaving ¥494,662 contracted by 60 persons unredeemed. These show how the Special loans stand at the end of 1919.

THE DEVELOPMENT WORK UNDERTAKEN BY THE COMPANY.

What is meant here by the Development Industrial work is no other than all the industrial undertakings carried on by the Company. It, therefore, includes all the work and undertakings conducted by the Company with the excep-

tion of Banking and the work of giving facility to the settlers. In other words, acquiring and managing and disposing of land, besides agricultural improvement works, and planting of fruit-trees and forestry and utilization of water and clearing land are greater part of the Company's responsibility.

(A) Acquisition and management of land.

The land owned by the Company consists of the land originally contributed by the Korean Government for the payment of the shares subscribed and also the land which was bought by the Company.

At the end of March, 1920, the Company was in possession of 1932 acres of land. According to the custom of the country, the larger part of the land belonging to the Company is tilled by the Koreans.

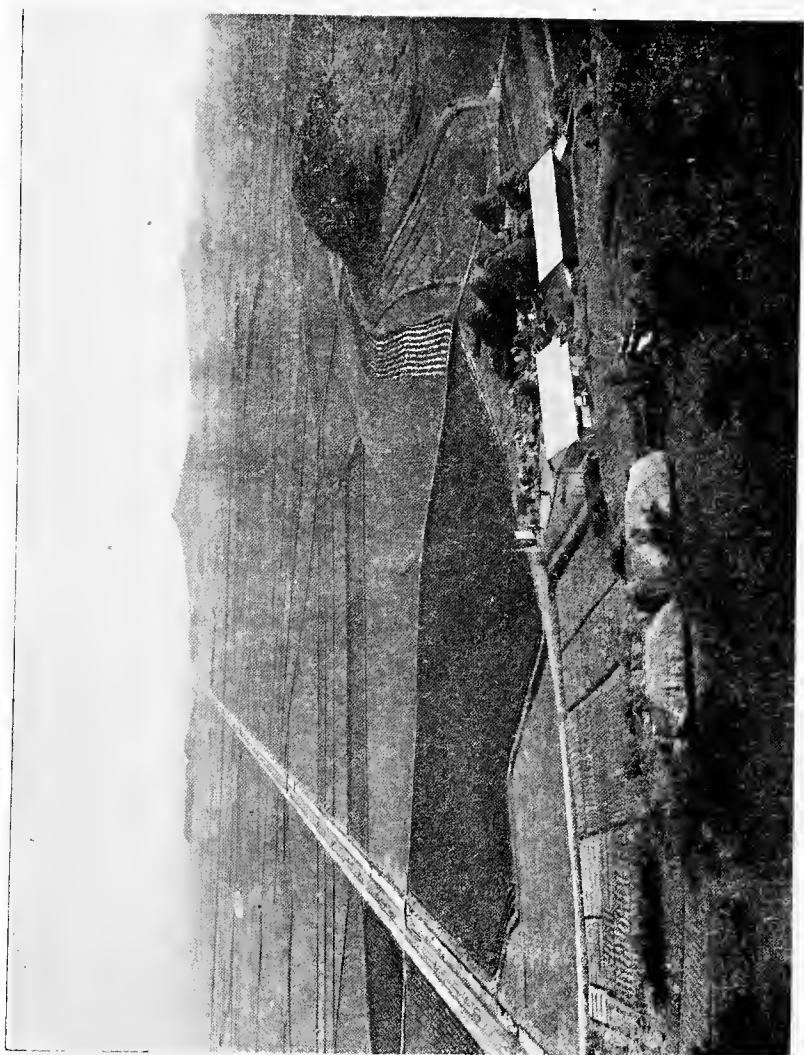
It is only in such land as intended for orchard, afforestation and Nursery-ground that are under the direct management of the Company.

The ground-rent paid by the tenant-farmers for the last six years may be tabulated as under :

Income of 1919					Average of five years prior to 1919	
Kinds of payment	Carried forward from the previous year	Income of the year	Sum total	Price sold	The whole income	Price sold
Paddy	bushel 561	bushel 1,036,364	bushel 1,046,824	¥1,178,507	bushel 1,402,878	¥ 1,426,278
Bean	bushel 10	bushel 26,284	bushel 26,294	36,864	bushel 40,884	54,301
Miscellaneous cereals	—	bushel 30,348	bushel 30,348	26,144	bushel 47,361	36,807
Uncleaned rice	—	bushel 2,993	bushel 2,993	9,042	—	—
Cotton	—	lbs. 5,467	lbs. 5,467	383	lbs. 15,322	1,524
In cash	¥ 914	¥1,714,511	¥1,715,436	1,715,436	¥ 282,720	282,720
Total	—	—	—	2,966,376	—	1,801,630

Note: Koku is a little over $4\frac{1}{2}$ bushel. Strictly speaking, it is 4.626 bushel.

The details of the Agricultural products received and expended by the Company during the year 1919 may be seen from the following :



A part of the farm at Kunsan, brought to cultivation by the fund supplied by the Company.



The Company's Bamboo Bushes at Kato.



The Company's Afforestation work on Mt. Teppo.



The Same

Kinds received	Received				Expended			Carried forward
	Carried forward from the previous year	Ground rent of 1919	Miscellaneous income other than rent	Total	Sold	Other-wise disposed	Total	
Paddy	bush 432,079	bush 1,046,827	bush 108,329	bush 1,896,349	bush 911,341	bush 326,376	bush 1,131,717	bush 659,520
Bean	43,871	26,293	1,251	70,913	58,829	938	59,748	10,167
Miscellaneous cereals	3,946	30,348	308	34,621	21,256	179	21,435	12,167
Uncleaned rice..	—	2,993	149	3,142	—	—	—	3,142
Cotton	lbs. 6,544	lbs. 5,467	lbs. —	lbs. 12,011	lbs. 12,011	—	lbs. 12,011	—

(B) Agricultural improvements.

For the purpose of giving encouragement to agricultural improvements in general and more especially to improve the cultivation of rice, the Company must be said to have done a bit of its duty. It has kept a small seed-bed farm on each farm whether under the Korean or the Japanese tenant and ever since 1910, it has been able to supply the farmers with well selected seeds for sowing. Again, the Company undertook to give both the Korean and the Japanese tenant-farmers instructions concerning how to make a rice seed-bed and how to apply manure, and how to weed and how to exterminate noxious insects as well as how to combine different kinds of fertilizers whilst the Company undertook to supply in advance the necessary seed-paddy, fertilized and plough-cows to the tenant farmer. This making advance supplies was formerly limited only to the Japanese settlers and tenants, but now this privilege has been extended to the Koreans as well. Besides money, fertilizers and seeds, agricultural tools needed may be lent to them. In fact, the Company is trying to do all it can to promote the agriculture in Korea.

(C) The cultivation of Tobacco.

In April, 1918, the Company for the first time entered into contract with the Standard Trading Corporation Company regarding the supply of Tobacco plant seeds for Korea. At present, tobacco plant is under cultivation in different parts of

Kogendo, Keikido, Chusei Nando, Keihi Hokudo and Kokaido districts. During 1918, the Turkish Tobacco seeds yielded, 183,333 lbs., whilst the vernacular seeds 1,666,668 lbs.

(D) Pomiculture work.

The Tokuson orchard was started in 1909. It is situated in a suburb of the capital of Korea and covers some 56 acres of ground. During 1919, this orchard yielded 666,051 apples and 105,844 pears and 9,667 lbs. of grapes. A part of the first mentioned fruit was exported to South Manchuria whilst the rest are all consumed in Korea.

(E) Afforestation work.

The work of afforestation in Korea was undertaken for the first time in 1910. The work has been going on steadily. At the end of March, 1920, the Company succeeded in afforestating about 82,750 acres in different parts of Kyokando, Kogendo, Kokaido and other districts. The larch-tree the redpine, the tree technically called *Zelkova acuminata*, the chestnut tree, the walnut tree and the quasi-acacia, are cultivated in the timber forestry, whilst the trees known as *quercus serrata* and *quercus dentata* and *glandudifera* are planted in the fuel forestry. The Company has the nursery ground amounting to the extent of 37 acres in various places such as To-to in Keikido, and Toku-gun in Kankyodo, and Doku-shin in Kankyo Hokudo.

(F) The Cultivation of Bamboo.

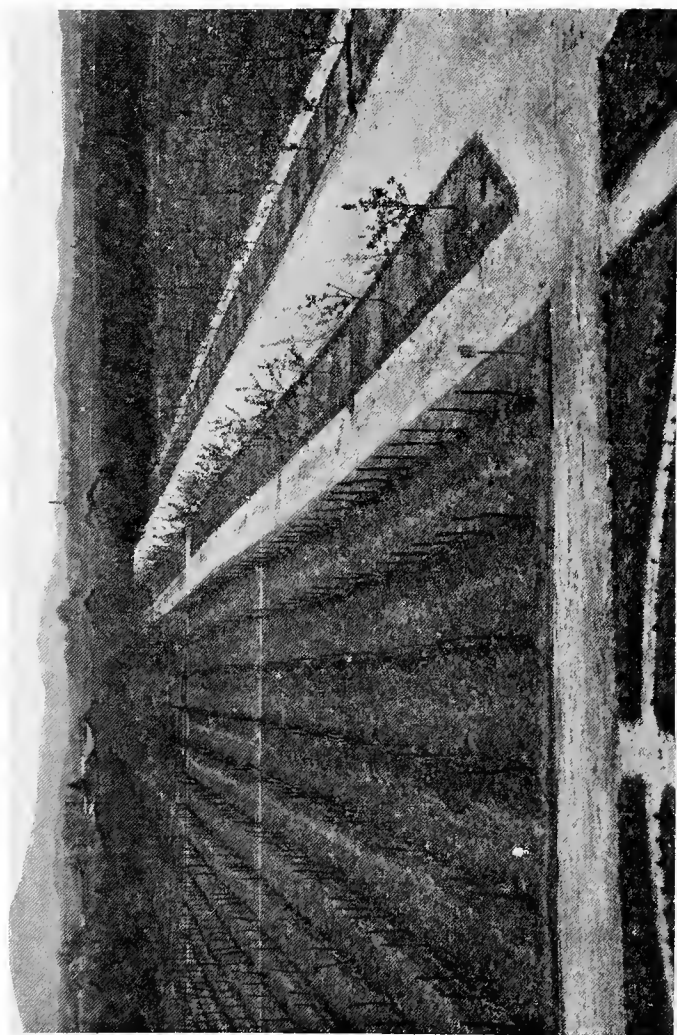
In the Southern part of Korea formerly the bamboo used to grow abundantly as the soil is suited to its growth. But bamboo cultivation was neglected as all other industrial works generally were for a long time whilst the country in general was left to the natural course of desertation.

The Company started to undertake bamboo cultivation in the most advanced and scientific way so that the people might be well supplied with one of the most useful materials for all sorts of things in Korea.

In 1912 the Company acquired bamboo bushes amounting to about 200 acres in Keishonando and Zenranando whilst both



The Turkish Tobacco cultivated by the Company near Keishū.



A part of the Company's Orchard at Tokuson.

in 1913 and 1914 bamboo bushes amounting to 200 acres were newly planted in Keishonando. The result of the Company's new attempt in bamboo cultivation is now said to be very satisfactory in every way.

(G) Utilization of water and reclamation of waste land.

(a) About 7,500 acres of land located in the basin of Sembo-ko, a tributary river of Taineiko, in the district of Heianhokudo was originally very fertile and could be reclaimed with a great profit if it had been properly irrigated. The Company began to undertake the reclamation and irrigation of this district in May, 1913, and at last completed the work in November, 1916.

(b) Irrigation in some parts of Zenranando.

The two districts of Ryokomen and Okumen in Zenranando are situated on the left banks of the Eizanko River and the soil was originally very rich and fertile. But the irrigation had long been entirely neglected and the people have not been able to reap sufficient crops for many years. The Company undertook the work of irrigation in June, 1916 and completed it in December, 1916.

(c) The reclamation of Cho-an-hyo.

About 1,250 acres of waste-land owned by the Korean Government are situated in Choanhyo, Totomen, a suburb of the capital. The strong embankment was built against the inundation of the Kanko and the district was successfully reclaimed. The work began in September, 1912 and was finished in July, 1915.

(d) The reclamation of Ragunri.

About 350 acres of waste-land are situated in Ragunri, Bojomen, Zenrahokudo. These are entirely owned by the Korean Government. The strong embankment was built against the inundation of the Kinko whilst the perfect system of irrigation was introduced by the Company. The work of construction began in April,

1916 and was completed in 1920. It was also found that this reclamation was most successful.

(e) Other reclamations and irrigations.

The Company did the work of reclamation in Jo-sei-men, Ryosangun, Keishonando, and that in Okoku-men, Shoyogun, Keikido, besides it succeeded in the construction of irrigation reservoir as well as irrigation race and such constructions as were necessary for the utilization of water on the plain of Kokyo, Zenrahokudo, whilst that of the embankment and irrigation at the Daichiri, Dokomen, Rashugun, Zenranando was also carried out. In short, the Company has been doing its best effort for the improvement of agriculture by promoting reclamation and irrigation work in Korea.

**THE COMPANY'S WORK
IN GIVING FACILITY TO
THE SETTLERS.**

The Company, ever since its establishment, has been very assiduous in doing all that was necessary for the improvement of agriculture in Korea. It was from this motive that the Company undertook to bring over some very good farmers of exemplary character and wide experience to Korea in order that Korean farmers might be guided through them. At the end of March, 1920, there were 3,938 families of these settlers. Some of them are allowed to cultivate only about five acres of the Companys' farms whilst others, who are more capable, are allowed about 20 acres. But they are all engaged in agriculture only.



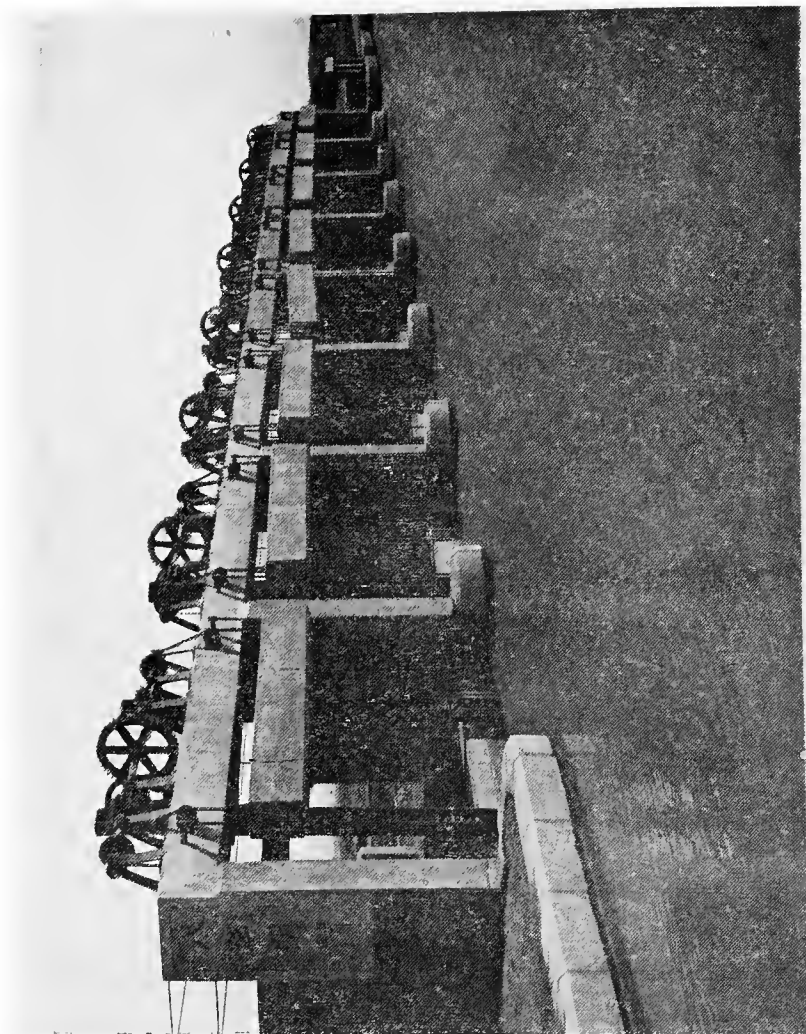
A View of the Company's Farm at Sharion



A View of the Company's Farm near Moppo.



The water utilization work at Kofu, constructed by the fund supplied by the Company.



A lock-gate at Hachio.

Chapter III.

THE STATE OF THE COMPANY'S BUSINESS AND ITS ASSETS.

The Company has been fortunate enough to make a regular and steady progress ever since its establishment. Its business has been extended whilst its income greatly increased.

The Company, therefore, may be said to have reached a position to carry the great work with which it has been entrusted without receiving the annual subsidy from the government. It however received the annual sum of ¥300,000 for eight years previous to 1915.

With regard to the Company's income it must be said that it increased by leaps and bounds. In 1917, the Company was able to see the sum of ¥657,698 for its profit, but in 1918, the profit was ¥1,443,385, whilst in 1919 the profit amounted to ¥1,983,600. The details of the profit and loss for the last 12 years beginning with the year in which the Company was established may be tabulated as under :

Successive Account of profit and loss for 12 years

Subsidy granted	Interest received	Business income	Miscellaneous income	Sum Total	Annual profit of the year	Sum Total	Salary	Expense	Interest paid	Sinking fund
¥300,000	¥ 6,386	—	¥ 5,589	¥ 311,975	152,221 for 1908	¥ 159,754	¥ 17,686	¥ 89,950	—	¥ 52,118
300,000	83,940	83,940	40,472	559,085	298,385 for 1909	206,700	76,522	184,178	—	—
300,000	72,515	699,373	6,173	1,078,061	513,347 for 1910	564,714	93,925	470,789	—	—
278,000	110,544	1,155,181	21,789	1,565,523	510,281 for 1911	1,055,242	98,570	689,590	76,395	190,713
300,000	288,390	1,422,847	53,292	2,064,529	522,665 for 1912	1,491,864	118,233	835,444	469,180	69,007
300,000	767,092	1,945,421	26,757	3,039,270	804,498 for 1913	2,234,772	126,121	995,456	977,518	135,677
300,000	859,906	1,674,692	27,636	2,862,237	515,241 for 1914	1,346,992	120,479	1,129,624	990,509	106,384

Successive Account of profit and loss for 12 years

Subsidy Granted	Interest received	Business income	Miscellan- eous income	Sum Total	Annual profit of the year	Sum Total	Salary	Expense	Interest paid	Sinking fund
₹ 300,000	₹ 968,486	₹ 1,479,910	₹ 32,240	₹ 2,780,636	703,675 for 1915	₹ 2,073,961	₹ 298,939	₹ 847,448	₹ 873,135	₹ 54,439
—	1,010,814	1,877,073	42,918	2,930,805	817,970 for 1916	2,112,835	305,619	730,458	844,028	232,730
—	1,356,611	3,041,213	49,607	4,447,431	657,008 for 1917	3,790,333	338,102	1,752,420	1,107,241	592,570
—	2,912,256	5,135,749	856,646	8,227,000	1,440,385 for 1918	7,401,843	391,468	2,165,545	2,522,182	2,322,644
—	4,593,937	6,588,652	660,592	11,843,185	1,983,600 for 1919	9,859,585	521,521	4,556,495	3,834,549	947,016

Note: Interest received includes interests of loans and deposited money by the Company as well as interests of the debentures and dividends of the shares subscribed by the Company. The profit mentioned in 1918 and 1919 includes the premium for new shares issued. The Government subsidy ceased in 1915.

The profit and loss account of 1919 may be tabulated as under; the profit of this year amounting ₹1,983,600 is the greatest Company has yet realized :

Balance sheet showing the profit and loss of 1919

Profit		Loss	
Item	Amount	Item	Amount
Interest from loans	₹ 3,461,081	Regular salary	₹ 382,845
Incomes from shares and debentures	413,506	Extraordinary salary	138,676
Interest from deposit	517,992	Travelling expenses	380,993
Agricultural income	6,528,652	Taxes	999,418
Interest from land sold to the settlers	201,358	Repairing building	273,380
Incomes from things lent	121,051	Miscellaneous	2,576,111
Miscellaneous	539,541	Various losses	326,593
		Interest paid	3,834,549
		Sinking fund paid	947,016
		Profit of the year	1,983,600
Total	11,843,185	Total	11,843,185

The profit of 1919 was divided as under :

Profit		Loss	
Item	Amount	Item	Amount
The profit of the year	₹ 1,983,600	Reserved fund against loss	₹ 207,912
Carried forward from the previous year	344,285	Reserved fund for equalising dividend	158,188
		Bonus to official	99,000
		Dividend, 9%	1,518,000
		Carried forward	344,285
Total	2,327,885	Total	2,327,885

The state of the Company's property.
The details of the company's assets may be tabulated as under :

Credit.								Debt.						
Unpaid capital	Loan made by the company	Shares and debentures	Land and building	Deposit and cash	Miscellaneous	Total	Year	Capital	Reserve fund	Debentures issued	Borrowed & deposited money and special deposit	Miscellaneous	Carried forward & profit of the year	Total
₹7,500,000	—	₹ 493,490	₹ 750,000	₹1,460,662	₹ 1,293	₹10,205,445	1908	₹10,000,000	—	—	₹ 52,118	₹ 1,106	₹ 152,221	₹10,205,445
7,500,000	₹ 221,900	—	1,080,721	1,558,419	81,569	10,442,609	1909	10,000,000	₹ 15,300	—	—	26,607	400,702	10,442,609
7,500,000	595,330	—	1,971,567	1,125,535	1,137,974	12,330,456	1910	10,000,000	55,500	—	1,500,000	71,102	703,854	12,330,456
5,000,000	1,166,769	1,000,000	5,774,059	1,118,780	2,303,173	16,362,781	1911	10,000,000	126,000	—	5,000,000	278,346	958,435	16,362,781
2,500,000	2,473,494	1,000,000	10,474,579	10,503,014	4,679,166	31,630,253	1912	10,000,000	207,800	₹19,350,000	770,000	148,752	1,153,701	31,630,253
—	4,045,719	2,300,000	15,090,872	5,648,558	4,220,973	31,306,122	1913	10,000,000	299,600	19,350,000	—	265,122	1,391,400	31,306,122
—	5,451,189	2,300,000	15,459,866	3,323,692	4,460,777	30,995,424	1914	10,000,000	428,400	19,350,000	—	169,183	1,047,841	30,995,424
—	5,813,587	1,650,000	15,569,866	3,522,543	4,474,389	31,030,385	1915	10,000,000	511,000	19,350,000	—	107,469	1,021,916	31,030,385
—	5,839,271	1,100,000	16,291,998	4,695,746	3,372,155	31,299,170	1916	10,000,000	581,800	19,350,000	—	283,683	1,083,687	31,299,170
—	12,278,038	3,627,500	16,634,856	18,843,011	3,320,586	54,703,991	1917	10,000,000	663,700	36,350,000	6,281,692	440,614	967,985	54,703,991
7,500,000	32,914,386	6,475,500	16,731,171	9,374,417	1,817,881	75,813,551	1918	20,000,000	729,500	40,944,617	10,998,135	1,356,627	1,784,672	75,813,551
22,500,000	70,968,612	15,527,840	18,740,363	14,018,316	7,038,196	148,793,327	1919	50,000,000	3,862,631	65,944,618	23,378,235	3,279,235	2,327,886	148,793,327

Note: In estimating the value of the Company's property the utmost care has been taken not to over-estimate it by any means. Thus the estimate of landed property is all mentioned at the price which cost the Company in the acquisition about ten years ago. This is to say so far as the land property is concerned it is estimated at least less than one-fifth of the actual price at present. Likewise, a most strict estimate of other assets is given here.

(I) The Law Concerning the Oriental Development Company, Limited.

(The Toyo Takushoku Kabushiki Kaisha)

Chapter IV.

THE LAW AND THE BYE-EAWS CONCERNING THE COMPANY.

CHAPTER I.

GENERAL PROVISIONS.

Art. 1. The Oriental Development Company shall be a joint-stock company whose object is to engage in supplying development funds and in other development undertakings in Chosen and foreign countries, and shall have its head office in Tokyo.

Art. 2. The capital of the Oriental Development Company shall be ten million yen, which amount may be increased with the sanction of the Government.

Art. 3. The shares of the Oriental Development Company shall all be registered, and only Japanese subjects may be eligible to the shareholders.

Art. 4. The total amount being paid up in upon the shares shall not be a prerequisite for an increase of the capital of the Oriental Development Company.

Art. 4—2. A resolution to alter the Oriental Development Company's Bye-Laws shall be passed by a majority vote of the shareholders present holding not less than one half of the amount of capital.

Art. 5. The period of duration of the Oriental Development Company shall be one hundred years computed from the day when the registration of its formation is made; but the said period may be extended subject to the sanction of the Government.

Art. 6. The Oriental Development Company may, with the sanction of the Government, set up branches or sub-branches in Keijo, Mukden and elsewhere.

CHAPTER II.

PRINCIPAL OFFICIALS.

Art. 7. The principal officials of the Oriental Development Company shall consist of one President, three or more Directors and two or more Supervisors.

Art. 8. The President shall represent the Oriental Development Company and superintend its business.

In the event of the President's inability to discharge his duties one of the Directors shall act as his deputy, and in the case of the vacancy of the office of President he shall exercise the functions of the President.

The Directors shall assist the President, and each shall manage a specially entrusted part of the business of the Oriental Development Company.

The Supervisors shall inspect the business of the Oriental Development Company.

Art. 9. The President shall be appointed by the Government, and the term of his office shall be five years.

As for the appointment of the Directors a General Meeting of Shareholders shall be caused to elect candidates, twice the number to be appointed, from among the shareholders holding not less than fifty shares each, and the Government shall ap-

point Directors from among the candidates elected in the foregoing manner, and the term of their office, shall be four years.

The Supervisors shall be elected at a General Meeting of Shareholders from among the shareholders holding not less than thirty shares each. The term of their office shall be two years.

Art. 10. The President and Directors shall not engage in any other profession or business; this does not apply when the permission of the Government therefor has been obtained.

CHAPTER III.

BUSINESS.

Art. 11. The business of the Oriental Development Company shall be as follows:—

1. Supplying funds necessary for development;
2. Agriculture, water utilization undertakings and acquiring, managing and disposing of lands all necessary for development;
3. Recruiting and distributing settlers necessary for development;
4. Constructing, purchasing, selling, leasing and renting of buildings necessary for settlers;
5. Furnishing settlers and farmers with articles necessary for development, and distribution of articles produced by them;
6. Managing or taking charge of lands in trust;
7. Other undertakings necessary for development.

In conducting the undertakings mentioned in No. 7 of the foregoing paragraph in the Japanese territories, or in conducting the undertakings mentioned in Nos. 1-6 of the foregoing paragraph in foreign countries, the Government sanction must previously be obtained.

Art. 12. The Government shall, if deem it necessary, impose limitation upon the amount of the funds used for other purpose than that mentioned in No. 1 of the first paragraph of the foregoing article.

Art. 13. The supplying of funds mentioned in No. 1 of the first paragraph of Art. 11, shall be effected in the following manner :—

1. To make loans to settlers for expense concerning settlement, to be redeemed in annual instalments within twenty five years, or at fixed times within five years;
2. To make loans to producers for a period less than one year on the security of articles produced by them;
3. To make loans on the security of immovable properties, railways, mining concessions and legal right on immovable properties, to be redeemed in annual instalments within thirty years, or at fixed times within five years;
4. To make loans without security to Public Corporations or the Industrial Associations organized by virtue of special laws, to be redeemed in annual instalments within thirty years, or at fixed times within five years;
5. To make loans without security to farmers not less than twenty in number bound by a joint obligation, to be redeemed at fixed times within five years;
6. To subscribe or underwrite shares or debentures issued by the corporations engaging in dealing with emigrants or in development undertakings;
7. To make loans on the security of the shares or debentures issued by such corporations engaging in dealing with emigrants or in development undertakings, to be redeemed at fixed times within five years;
8. To make loans on the security of estates (zaidan) created by virtue of special laws, or on other reliable securities, to be redeemed in annual instalments within thirty years, or at fixed times within five years.

In making loans mentioned in No. 2 of the foregoing paragraph, discount bills may be used.

Art. 13—2. The Oriental Development Company may receive fixed deposits.

The fixed deposits mentioned in the preceding paragraph shall not be used for any other loans than those mentioned in Nos. 1, 2 or 7 of the first paragraph of the preceding article.

Art. 14. The amount of loans to be made on the security of immovable properties shall not exceed two thirds of the value appraised by the Oriental Development Company.

Art. 15. The security of immovable properties covering loans made by the Oriental Development Company must be good for the first charge; but this does not apply, if they may be converted into first security in course of redeeming an old loan with a new loan furnished by the Oriental Development Company.

Art. 16. As regards the loans to be redeemed in annual instalments unredeemable period shall be allowed within the first five years.

Art. 17. Annual instalments shall include both the principal and interest and shall be fixed at equal amounts for each year; but this does not apply to the interest for the unredeemable period.

Art. 18. A debtor whose loan contract provides for redemption in annual instalments may redeem the whole or a part of the loan prior to the expiration of the term of redemption.

In the case mentioned in the foregoing paragraph, the Oriental Development Company may demand adequate fees according to the rates specified in the Bye-Laws of the Company.

At. 19. In the following cases the redemption of the whole of a loan may be demanded even prior to the expiration of the term of redemption :—

1. When a loan is employed by the debtor contrary to the purpose the loan was made for;
2. When a debtor has delayed the payment of annual instalments and has failed to make payment even after the receipt of a notice thereof;
3. When the whole or a part of immovable properties held as security has been appropriated for public use; this, however, does not apply when the debtor has deposited money covering the appropriated security or has supplemented with other adequate immovable properties.

If the appropriation is partial in the case mentioned in

No. 3 of the foregoing paragraph, the demand for redemption shall be proportioned to the amount appropriated.

Art. 20. When the value of securities has so depreciated that its proportion to the balance of the loan falls short of the limit mentioned in Art. 14, a demand may be made for supplementary securities or for the redemption of a part of the loan corresponding to the shortage.

When the debtor does not comply with the demand mentioned in the foregoing paragraph, the redemption of the whole of the loan may be demanded even prior to the expiration of the term of redemption.

Art. 21. When unemployed funds occur in the course of regular business, the same may be temporarily invested in national loan bonds or in valuable papers sanctioned by the Government, or deposited with the Government or with the banks designated by the Government: such funds shall not be employed in any other way.

Art. 22. The Oriental Development Company may, if necessary on account of business, contract a loan with the sanction of the Government.

Art. 22—2. The Oriental Development Company may act as an agency of the Hypothec Bank of Japan.

When the Company made a loan as an agency of the Hypothec Bank of Japan, the former may stand security to the latter for the sake of the debtor.

CHAPTER IV.

ORIENTAL DEVELOPMENT DEBENTURES.

Art. 23. The Oriental Development Company may issue the Oriental Development Debentures, provided their maximum limit does not exceed ten times the amount of the Company's paid-up capital.

The provisions of Art. 199 of the Commercial Code do not apply to the case of issuing the Oriental Development Debentures.

Art. 24. Whenever the Company desires to issue the Oriental Development Debentures, the amount and condition thereof as well as the manner of issuing and redeeming them shall be determined and the sanction of the Government therefor shall be obtained.

Art. 25. When the Oriental Development Debentures are issued, payment on them may be made in several instalments.

Art. 26. The Oriental Development Debentures shall be unregistered after the whole amount has been paid up: they may, however, be registered at the request of subscribers or owners.

Art. 27. Owners of the Oriental Development Debentures shall have the right to claim settlement out of the assets of the Oriental Development Company in preference to other creditors.

Art. 28. For the purpose of conversion, the Oriental Development Company may issue the Oriental Development Debentures without observing for the time being the restrictions mentioned in Art. 23; but in this case, the old Debentures corresponding to the total amount of the new Debentures shall be redeemed within one month after the issuance of the new Debentures.

Art. 29. The Oriental Development Debentures shall be redeemed within thirty years of which five years or less shall be the unredeemable period.

Art. 30. The Oriental Development Company may, with the sanction of the Government, purchase the Oriental Development Debentures for amortisation.

CHAPTER V.

RESERVE FUNDS.

Art. 31. The Oriental Development Company shall set aside, at the end of each business year, eight per cent or more of the profits as a reserve fund for making good any deficit in its capital stock, and two per cent or more of the profits in order to equalise dividends.

CHAPTER VI.

GOVERNMENT SUPERVISION AND SUBSIDY.

Art. 32. The Government shall supervise the affairs of the Oriental Development Company.

Art. 33. The Government shall appoint Controllers of the Oriental Development Company and shall cause them to supervise the business management of the Oriental Development Company.

The controllers of the Oriental Development Company may, at any time, inspect the money safes, books, all kinds of documents and articles of the Company.

The Controllers of the Oriental Development Company, should they deem it necessary, may at any time order the Company to report on the various accounts and state of business.

The Controllers of the Oriental Development Company may attend the General Meeting of Shareholders or any other meetings, and may express their views thereat.

Art. 34. The Government may issue any order that may be deemed necessary for supervising the Oriental Development Company.

Art. 35. Should any resolution of the Oriental Development Company or any act of its officials be regarded as either contrary to Laws, Ordinances, or Bye-Laws, or injurious to the public interests, the Government may cancel the said resolution or dismiss the officials concerned. When any official of the Oriental Development Company has failed to execute matters ordered by the authorities supervising the Company, he shall similarly dealt with.

Art. 36. The Oriental Development Company shall not dispose of its profits without obtaining the sanction of the Government.

Art. 37. When the Oriental Development Company determines regulations concerning settlement or any other provisions, the sanction of the Government shall be obtained.

on loans to be furnished by the Oriental Development Company, the Government sanction shall be obtained at the beginning of each business year.

Art. 38. When the Oriental Development Company desires to alter the matters sanctioned by the Government, the further sanction of the Government shall be obtained.

Art. 39. The Government shall grant to the Oriental Development Company a subsidy, at each business period, at the rate of three hundred thousand yen per annum for a period of eight years computed from the day when the registration of its formation is made. When, however, the rate of dividends for any business period exceeds eight per cent per annum of the paid-up capital, the amount corresponding to the excess shall be deducted from the subsidy.

Art. 40. When the rate of dividends exceeds ten per cent per annum of the paid-up capital, the amount in excess shall be applied for the redemption of the subsidy mentioned in the preceding article.

When the redemption mentioned in the foregoing paragraph has been completed one half of the said amount in excess shall be set aside as a special reserve fund.

Art. 40—2. The dividends for the shares held by the Government are not required for a period of the business years running from 1917 to 1924; but when the rate of dividends exceeds eight per cent per annum of the paid-up shares owned by those other than the Government, the amount corresponding to the excess, shall be applied to the dividends for the shares owned by the Government as much as to reach the same rate of dividends for the shares owned by those other than the Government, and if there are any surplus profits, they shall be distributed equally.

CHAPTER VII.

PENAL PROVISIONS.

Art. 41. Should there be a breach of law as mentioned below, in the business management of the Oriental Development Company, the President, or Directors acting as, or taking charge of official duties of the President shall be liable to a fine of from one hundred yen to one thousand yen. If the violation relates to special business entrusted to a Director he shall be liable to a fine in a similar way :—

1. When the Company has not obtained the sanction of the Government, where such sanction is required under this law;
2. When the Company has engaged in business without observing the provisions of Art. 11;
3. When the Company has not observed the orders issued in accordance with the provisions of Art. 34;
- 3—2. When the Company has furnished funds in contravention of the provisions of Arts. 14—17;
- 3—3. When the Company has used the deposits in contravention of the provisions of the second paragraph of Art. 13—2;
4. When unemployed business funds have been employed in contravention of the provisions of Art. 21;
5. When the Company has issued the Oriental Development Debentures in contravention of the provisions of Art. 23 : this, however, does not apply to the case mentioned in Art. 28;
6. When the Company has not redeemed the Oriental Development Debentures as required by the provisions of Art. 28;
7. When the Company has disposed of its profits in contravention of Arts. 31 and 40.

Art. 42. When the President or Directors of the Oriental Development Company have acted in contravention of the provisions of Art. 10, they are liable to a fine of from twenty yen to two hundred yen.

Art. 43. The provisions of Arts. 206—208 of the Law concerning the Procedure of Non-Contentious Matter shall apply correspondingly to the fines provided for in the two preceding articles.

SUPPLEMENTARY PROVISIONS.

Art. 44. The Government Shall appoint an Organising Commission and cause it to conduct all business connected with the establishment of the Oriental Development Company.

Art. 45. The Organising Commission shall make a draft of the Bye-Laws of the Company, and after obtaining the sanction of the Government shall invite subscriptions.

Art. 46. When the sufficient number of subscribers has been secured the Organising Commission shall present to the Government the subscription list and request sanction for the establishment of the Oriental Development Company.

Art. 47. When the said sanction has been obtained, the Organising Commission shall without delay cause the first payment to be made upon each share.

When the payment as provided in the foregoing paragraph has been made, the Organising Commission shall without delay convene the General Meeting for Organisation.

Art. 48. When the General Meeting for Organisation has been concluded, the Organising Commission shall hand over its business to the President of the Oriental Development Company.

Art. 49. The Directors and Supervisors for the first term shall be appointed by the Government without election at the General Meeting of Shareholders. In all other matters the precedence of Art. 9 shall be followed, provided that when the respective terms of office specified in Art. 9 have been ended they may remain in office until the next Ordinary General Meeting.

The present Law shall be enforced on and after the first of October of the sixth year of Taisho (1917).

The term of office of Directors who were in service when the present Law has been enforced, shall follow the previous example.



(II) The Bye-Laws of the Oriental Development Company, Limited.

CHAPTER I.

GENERAL PROVISIONS.

Art. 1. The Company having been formed in accordance with the Law No. 63 of the forty first year of Meiji (1908), or the Law of incorporation of the Toyo Takushoku Kabushiki Kaisha, shall be called "The Toyo Takushoku Kabushiki Kaisha," but "The Oriental Development Company, Limited" in English.

Art. 2. The object of the Company is to carry on supplying funds necessary for development and on various development undertakings in Chosen and foreign countries.

Art. 3. The Company shall have its head office in Tokyo.

Branches or sub-branches may be set up in Keijo, Mukden and various other convenient localities with the sanction of the Government.

Art. 4. The capital of the Company shall be fifty million yen, which amount may be increased with the sanction of the Government.

Art. 5. The total amount being paid up in upon the shares shall not be a prerequisite for an increase of the capital of the Company.

Art. 6. The period of duration of the Company shall be one hundred years computed from the day when the registration of its formation is made; it may, however, be extended subject to the sanction of the Government.

Art. 7. When the Company desires to alter the matters sanctioned by the Government the further sanction of the Government shall be obtained.

Art. 8. Any notifications of the Company shall be made public in the Official Gazette and such newspapers as are used by the Local Court of Justice for publishing notifications in the place where the head office is located: but when such notifications are required to be made public in a place where a branch office is located, the President shall select local newspapers.

CHAPTER II.

Art. 9. The shares of the Company shall all be registered, and only Japanese subjects may hold the same.

Art. 10. The Company shall accept the following contribution in property by the Government to be valued at three million yen, and sixty thousand shares shall be given in exchange:—

1. Rice fields.....5,700 cho (1 cho being 2.45072 acres):
2. Other cultivated fields.....5,700 cho.

Art. 11. The shares of the Company shall be one million in number, each share being fifty yen.

Art. 12. The liability of the shareholders of the Company shall be limited to the amount of the shares they hold.

Art. 13. The share certificates of the Company are of six denominations; namely, 50 yen, 250 yen, 500 yen, 2,500 yen, 5,000 yen and 50,000 yen.

Art. 14. Each share certificate of the Company shall be signed and sealed by the President, and shall bear the Company's name, the date of registration, the total amount of capital, the face value per share, the amount paid in and the serial number for it.

Art. 15. The call of the first instalment shall be twelve yen and fifty sen per share, and for the second and later instalments the President shall determine the amount and the time

of payment according to the necessity of business, and shall notify to each shareholder at least thirty days beforehand; but the amount to be paid upon per share shall not exceed twelve yen and fifty sen each time.

Art. 16. If a shareholder does not make payment on a call by the day fixed, the interest on such arrear shall be required at the rate of four sen per diem, per hundred yen.

Art. 17. If a shareholder does not make payment of the first instalment within fifteen days after the date appointed for the payment, the Company may notify such shareholder that payment must be made within another fifteen days, and that otherwise the rights as shareholder shall be forfeited.

When the forfeiture of rights takes place in the manner mentioned in the foregoing paragraph, the security money paid on application shall not be returned.

Art. 18. If a shareholder fails to pay a call for the second or later instalments, within fifteen days after the date fixed, the Company may notify such shareholder that payment must be made within another fifteen days, and that otherwise the rights as shareholder shall be forfeited.

When the rights as shareholder are forfeited in the manner mentioned in the foregoing paragraph, the Company shall notify the respective assignors of the shares to pay within fifteen days, and the assignor who first pays the amount in arrear shall acquire the shares.

If no assignor pays, the Company shall dispose of such shares by public auction, and if the amount thus realised does not cover that in arrear, the former shareholder shall be required to pay that deficit. If the said shareholder fails to pay it within fifteen days, the Company shall demand such payment of the assignors.

Art. 19. The liability of the assignors provided in the preceding article shall cease when two years shall have elapsed after the recording of the assignment in the shareholders' list.

Art. 20. A company or any other public or private juridical person who owns a share of the Company shall appoint a

representative and have the latter's name and domicile entered in the list of shareholders.

If a share is owned by several persons in common, they shall appoint one person to exercise their rights as shareholder.

Co-owners of a share are jointly liable for payment of the share.

Art. 21. When a share is taken, the shareholder or the legal proxy shall notify his name, domicile and seal to the Company; the same holds good when an alteration takes place in the matters mentioned above.

Art. 22. When a share is assigned, the parties concerned shall apply for the renewal of the share, in writing with their joint signatures in accordance with the form determined by the Company. In the case such application is made by a person who has come to own the share by succession, by a will, or by the execution of the court's decree, he shall produce the register's certificate or any documentary proofs required by the Company.

No assignment of a share shall be valid against the Company, unless the assignee's name and domicile have been entered in the list of shareholders and his name has been inserted in the certificate.

Art. 23. When any share certificate be mutilated or lost, its owner may apply to the Company for the delivery of a new certificate by forwarding a document stating the circumstances in detail and signed jointly by two or more guarantors whom the Company deems proper. In case of loss, however, the new certificate shall not be delivered until after the matter has been publicly notified at the applicant's expense and no objection has been raised against it within thirty days from the date of such notification.

Art. 24. When a shareholder desires to have the denomination of his share changed, he shall apply in writing, forwarding the said share certificate at the same time.

Art. 25. Fees shall be charged, as fixed by the Company, for inserting in a share certificate the new owner's name in lieu

of that of the former owner, for the delivery of a new share certificate, and for altering the denomination of a share.

Art. 26. The Company shall suspend the insertion of assignee's name in the share certificate in the case of assignment, for a term not exceeding thirty days immediately prior to each Ordinary General Meeting.

CHAPTER III.

GENERAL MEETING OF SHAREHOLDERS.

Art. 27. An Ordinary General Meeting shall be convened by the President in May, each year. An Extraordinary General Meeting shall be convened likewise by the President, when the President or the Supervisors consider such a step necessary, or when it is requested in writing by the shareholders representing not less than one-tenth of total number of the shares, specifying the objects of the Meeting and the reasons for its convening. In case, an Extraordinary Meeting is called for by shareholders, the President shall take steps to call the Meeting within fourteen days.

Art. 28. The discussions at a General Meeting shall be confined only to the object and matters previously notified.

Art. 29. The President shall fix the day, hour and place of the General Meeting and give notice to each shareholder at least fourteen days before the Meeting.

Art. 30. The President shall act as Chairman at a General Meeting. In the event of the President's office being vacant or his being prevented to do so from unavoidable causes, one of Directors shall preside at the Meeting.

Art. 31. A shareholder shall have one vote for each share he owns.

Art. 32. A shareholder may vote through another shareholder present by means of a proxy which shall be produced to the Company.

Art. 33. The Chairman of a General Meeting shall not be debarred from exercising his voting powers as a shareholder.

Art. 34. Unless otherwise provided in the Commercial Code, any resolution of the General Meeting shall be passed by a majority vote of the shareholders present; for an alteration of the Bye-Laws, however, it shall be decided by a majority vote of the shareholders present holding not less than one half of the total amount of the Company's capital.

In case of a tie in the foregoing paragraph the Chairman shall decide.

Art. 35. The essentials of discussions at a General Meeting shall be recorded in the minutes of the Meeting, and shall be signed and sealed by the President as well as other officials present at the Meeting.

Art. 36. The Chairman of a General Meeting may postpone the Meeting or change the place of it; but no other matters except those left undecided at the former Meeting shall be discussed at the later Meeting.

CHAPTER IV.

PRINCIPAL OFFICIALS.

Art. 37. There shall be one President, three or more Directors, and two or more Supervisors in the Company.

Art. 38. The President shall represent the Company and have general control over its affairs.

One of Directors shall take charge of the official duties of President when the latter is prevented from discharging them, and in the case of the vacancy of the office of President, one of Directors shall exercise his functions.

The Directors shall assist the President, and each shall manage a specially entrusted part of the Company's affairs.

The Supervisors shall inspect the affairs of the Company.

Art. 39. The President shall be appointed by the Government, and his term of office shall be five years.

With regard to the appointment of the Directors, a General Meeting of shareholders shall be caused to elect candidates, twice the number to be appointed, from among the shareholders holding not less than fifty shares each. The Government shall appoint Directors from among the candidates elected in the foregoing manner, and their term of office shall be four years.

The Supervisors shall be elected at a General Meeting of Shareholders from among the shareholders holding not less than thirty shares each, and their term of office shall be two years.

Art. 40. The annual remuneration of the President and Directors shall be as follows:—

- | | |
|-------------------------------|------------|
| 1. President | 6,000 yen; |
| 2. Director first class | 4,000 yen; |
| second class | 3,500 yen. |

The remuneration of the Supervisors shall be fixed by the resolution of the General Meeting of Shareholders.

Allowances may be given to the Directors residing in Chosen or foreign countries: which amount shall be settled by the Government.

Art. 41. During the term of office, the Directors shall each deposit with the Supervisors fifty shares they own. On the former's retirement from office the shares thus deposited shall not be returned to them until a General Meeting of Shareholders shall have approved of their management of business while they held office.

Art. 42. In the event of the office of President becoming vacant, the Government shall appoint successor and cause him to hold the office for the remaining term of his predecessor.

Art. 43. If any vacancy arises among the Directors and circumstances require the vacancy to be filled up, an Extraordinary General Meeting shall be held to elect candidates, twice the number to be appointed, from among the shareholders holding not less than fifty shares each. From among such candidates, the Government shall appoint successors and cause

them to hold the office for the remaining term of their predecessors.

When the number of the Directors is required to be increased, the foregoing paragraph shall apply except as to the term of office.

Art. 44. If any vacancy arises among the Supervisors and circumstances require the vacancy to be filled up, an Extraordinary General Meeting shall be held to elect successors from among the shareholders holding not less than thirty shares each; the successors thus elected, shall be caused to hold the office for the remaining term of their predecessors.

Art. 45. The President and Directors shall not engage in any other profession or business, unless the permission of the Government therefor shall have been obtained.

Art. 46. The President shall keep at the head office and at each branch office, copies of the Bye-Laws of the Company and the minutes of the resolution passed at General Meetings. At the head office there shall also be kept the list of shareholders and the original entry book of the debentures.

Art. 47. The President shall submit to the Supervisors the following documents seven days previous to the day of an Ordinary General Meeting, namely :—

1. The inventory;
2. The balance sheet;
3. The report on the business of the Company;
4. The account of profits and losses;
5. Proposals concerning the reserve fund and the distribution of profits.

Art. 48. The President shall have the documents mentioned in the preceding article and the report of the Supervisors kept at the head office previous to the day of an Ordinary General Meeting.

Art. 49. The President shall submit the documents mentioned in Art. 47 to the Ordinary General Meeting and obtain the approval of the same.

After the above approval has been obtained the President shall publish the balance sheet.

Art. 50. The Supervisors shall examine the documents which are to be submitted to the Shareholder's Meeting by the President, and report their views thereon to the Meeting.

Art. 51. The Supervisors may, at any time, require the President to be informed of the business, or may inquire into the affairs of the Company and the state of its property.

CHAPTER V.

BUSINESS.

Art. 52 The business of the Company shall be as follows :—

1. Supplying funds necessary for development;
2. Agriculture, water utilizing undertakings and acquiring, managing and disposing of lands all necessary for development;
3. Recruiting and distributing settlers necessary for development;
4. Construction, purchasing, selling, leasing and renting of buildings necessary for settlers;
5. Furnishing settlers and farmers with articles necessary for development, and distribution of articles produced by them;
6. Managing and taking charge of lands in trust;
7. Other undertakings necessary for development.

In conducting the undertakings mentioned in No. 7 of the foregoing paragraph in the Japanese territories, and in conducting the undertakings mentioned in Nos. 1-6 of the foregoing paragraph in foreign countries, the Government sanction must previously be obtained.

Art. 53. (omitted.)

Art. 54. The supplying of funds mentioned in No. 1 of the first paragraph of Art. 52 shall be effected in the following manner:—

1. To make loans to settlers for the expenses concerning settlement, to be redeemed in annual instalments within twenty-five years;
2. To make loans to producers for a period less than one year on the security of articles produced by them;
3. To make loans on the security of immovable properties, railways, mining concessions and legal right on immovable properties, to be redeemed in annual instalments within thirty years or at fixed times within five years;
4. To make loans without security to Public Corporations or Industrial Associations organized by virtue of special laws to be redeemed in annual instalments within thirty years or at fixed times within five years;
5. To make loans without security to farmers not less than twenty in number bound by a joint obligation, to be redeemed at fixed times within five years;
6. To subscribe or underwrite the shares or debentures, issued by such Corporations engaging in dealing with emigrants or in development undertakings;
7. To make loans on the security of the shares or debentures, issued by such Corporations engaging in dealing with emigrants or in development undertakings, to be redeemed at fixed times within five years;
8. To make loans on the security of estates (zaidan) created by virtue of special laws or on other reliable securities, to be redeemed in annual instalments within thirty years or at fixed times within five years.

In making the loans mentioned in No. 2 of the foregoing paragraph, discount bills may be used.

Art. 54-2. The Company may receive fixed deposits.

The fixed deposits mentioned in the foregoing paragraph shall not be used for any other loans than those mentioned in Nos. 1, 2 or 7 of the first paragraph of the foregoing article.

Art. 55. The amount of loans to be made on the security of immovable properties shall not exceed two-thirds of the value appraised by the Company.

Art. 56. The security of immovable properties covering loans made by the Company must be good for the first charge; but this does not apply, if it may be converted into first security in course of redeeming an old loan with a new loan furnished by the Company.

Art. 57. As regards the loans to be redeemed in annual instalments, an unredeemable period shall be allowed within the first five years.

Art. 58. Annual instalments shall include both the principal and interest and shall be fixed at equal amounts for each year; but this does not apply to the interest for the unredeemable period.

Art. 59. A debtor whose loan contract provides for redemption in annual instalments may redeem the whole or a part of the loan prior to the expiration of the term of redemption.

In the case mentioned in the foregoing paragraph the Company shall demand fees, the amount of which shall be fixed by the Company within two per cent of the amount redeemed.

Art. 60. In the following cases the Company may demand the redemption of the whole of a loan even prior to the expiration of the term of redemption :—

1. When a loan is employed by the debtor contrary to the purpose the loan was made for;
2. When a debtor has delayed the payment of annual instalments and has failed to make payment even after the receipt of a notice therefor;
3. When the whole or a part of immovable properties held as security has been appropriated for public use: this, however, does not apply when the debtor has deposited sufficient money to cover the appropriated security, or has supplemented the security with other adequate immovable properties.

If the appropriation is partial in the case mentioned in No. 3 of the foregoing paragraph the amount to be redeemed shall be fixed in proportion to the amount appropriated.

Art. 61. When the value of securities has so depreciated that its proportion to the balance of the loan falls short of the limit mentioned in Art. 55, a demand may be made for supplementary securities or for the redemption of a part of the loan corresponding to the shortage.

When the debtor does not comply with the demand mentioned in the foregoing paragraph, the redemption of the whole of the loan may be demanded even prior to the expiration of the term of redemption.

Art. 62. When the Company determines regulations concerning settlement or any other provisions, the sanction of the Government shall be obtained.

Art. 62—2. Of the maximum rate of interest and discount on loans to be furnished by the Company, the Government sanction must be obtained at the beginning of each business year.

Art. 63. When unemployed funds occur in the course of regular business, the same may be temporarily invested in national loan-bonds, or valuable papers sanctioned by the Government, or deposite with the Government or with the banks designated by the Government : such funds shall not be employed in any other way.

Art. 64. The Company may, if necessary on account of business, contract a loan with the sanction of the Government.

Art. 64—2. The Company may act as an agency of the Hypothec Bank of Japan.

When the Company made a loan as an agency of the Hypothec Bank of Japan, it may stand security to the latter for the debtor.

ORIENTAL DEVELOPMENT DEBENTURES.

Art. 65. The Company may issue the Oriental Development Debentures to the extent of ten times the amount of its paid-up capital.

The resolution of a General Meeting of Shareholders shall not be required in issuing the Oriental Development Debentures..

Art. 66. Whenever the Company desires to issue the Oriental Development Debentures, the amount and condition thereof as well as the manner of issuing and redeeming them shall be determined, and the sanction of the Government therefor shall be obtained.

Art. 67. In the case of issuing the Oriental Development Debentures, payment on them may be made in several instalments.

Art. 68. The Oriental Development Debentures shall be unregistered after the whole amount has been paid up: they may, however, be registered at the request of either subscribers or owners.

Art. 69. Owners of the Oriental Development Debentures shall have the right to claim settlement out of the Company's assets in preference to other creditors.

Art. 70. For the purpose of conversion, the Company may issue the Oriental Development Debentures without observing for the time being the restrictions mentioned in Art. 65.

In this case, however, the old debentures corresponding to the total amount of the new debentures shall be redeemed within one month after the issuance of the new debentures.

Art. 71. The Oriental Development Debentures shall be redeemed within thirty years of which the first five years or less shall be unredeemable period.

Art. 72. The Company may, with the sanction of the Government, purchase the Oriental Development Debentures for amortisation.

Art. 73. When any of the Oriental Development Debentures or coupons are mutilated or lost, their owner may apply for the delivery of new ones. The Company, however, shall not deliver such debentures or coupons, until the fact of mutilation or loss shall have been publicly notified at the owner's expense and their invalidity shall have been declared. As regards registered debentures, the provisions of Art. 23 shall apply correspondingly.

Art. 74. Fees shall be charged as fixed by the Company for the change of names registered on the debentures, for the delivery of new debentures or coupons, and for the alteration of debentures denominations.

CHAPTER VII.

CONTROLLERS.

Art. 75. The Controllers of the Oriental Development Company may supervise the business management of the Company, and may, at any time, examine the money safes, books and all kinds of documents and articles of the Company.

The said Controllers may, whenever such measure is deemed necessary, order the Company to report on the various accounts and state of the business.

The said Controllers may attend the General Meeting of Shareholders or any other meetings, and may state their views thereat.

CHAPTER VIII.

ACCOUNTS.

Art. 76. The business year of the Company shall begin on the first of April each year and end on the thirty-first of March next.

Art. 77. At each business year the Company shall deduct from the gross profits various interests, business outlays, and all losses incurred, and the remaining amount added by the

subsidy of the Government shall be taken as the profits of the Company.

Art. 78. The profits of the Company shall be disposed of in the following manner:—

1. Eight per cent or more of the profits, as a reserve fund against losses;
2. Two per cent or more of the profits, as a reserve fund for equalising dividends;
3. Ten per cent or less of the profits, as a bonus to the officials;
5. The sum of the above three items being deducted from the profits, the remaining amount shall be distributed among the shareholders, or carried to the next year's account.

Art. 79. The Company shall receive from the Government a subsidy amounting to three hundred thousand yen per annum for a term of eight years computed from the date when the registration of its formation is made; but when the rate of dividends for any business year exceeds eight per cent per annum of the paid-up capital, the amount corresponding to the excess shall be subtracted from the subsidy.

Art. 80. When the rate of dividends exceeds ten per cent per annum of the paid-up capital, the excess amount shall be applied for the redemption of the subsidy mentioned in the preceding article.

When the repayment mentioned in the foregoing paragraph has been completed, one half of the said amount in excess shall be appropriated as a special reserve fund.

Art. 80—2. The dividends for the shares owned by the Government are not required for a period of the business years 6th—13th year of Taisho (1917-1924); but when the rate of dividends exceeds eight per cent per annum of the paid-up shares owned by those other than the Government, the amount corresponding to the excess shall be applied to the dividends for the shares owned by the Government as much as to reach the

same rate of dividends for the shares owned by those other than the Government, and if there are still any surplus profits, they shall be distributed equally.

Art. 81. The Company may not dispose of the profits unless the sanction of the Government therefor shall have been obtained.

Art. 82. The payment of the profits shall be made to the shareholders according to the list of the shareholders on the first of May.

As for the amount of shares newly paid up, the dividends shall be calculated from the following month after that in which such payment was actually made. The President shall fix the date and place of the payment of dividends and notify the same to the shareholders.

CHAPTER IX.

SUPPLEMENTARY PROVISIONS.

Art. 83. The Company may appoint Local Commissioners.

The Local Commissioners shall be appointed by the President, who also shall fix their number and remuneration.

Art. 84. The organising expenses to be borne by the Company shall not exceed the amount of seventy thousand yen.

Of the above sum, the amount advanced by the Government shall be returned to the same.

Art. 85. The term of office of Directors who were in service when the present Bye-Laws has been amended, shall follow the previous example.

Art. 86. Sixty thousand shares amounting to three million yen out of ten million yen, the increased capital which was approved by the resolution of the Ordinary General Meeting of Shareholders held on May 22nd of the seventh year of Taisho (1918), shall be issued at prices above the face value.

Art. 87. Ninety thousand shares amounting to four million and five hundred thousand yen out of thirty million yen,

the increased capital which was approved by the resolution of the Extraordinary General Meeting held on September 10th of the eighth year of Taisho (1919), shall be issued at prices above the face value.



Appendix A.

THE PRESIDENT'S SPEECH AT THE 12 GENERAL MEETING OF SHAREHOLDERS.

The following is the speech delivered by Mr. Ishizuka, the President of the Company, at the 12th General Meeting of shareholders, held on the 22nd of May, 1920, at the Tokyo Chamber of Commerce.

Gentlemen : Nothing could give me more pleasure to see you on this occasion and to give you a report of the financial result of the Company's business during the year. Needless to say, no sooner than the Peace Treaty had been concluded than the tide of business depression began to set in. As was foreseen, the wartime business activity was sooner or later checked whilst the collision of labour and capital took more serious turn than before. But, contrary to expectation, the economic world continued for a while to show great activities during the year 1919. As a result, the fund for the industrial enterprises carried on by the Japanese in Korea and Manchuria was increased ; and to meet this need the Company with the sanction of the Government was obliged to increase its capital from ¥20,000,000 to ¥50,000,000 besides it had to issue the Company's debentures at five different times which amounted in all to ¥25,000,000 whilst it had to open branch-offices at different parts of Eastern Siberia, Central China, the Philippine Islands and the South Sea Islands. And now I am glad to say that the financial result of the Company's business for this year proved better than that of the preceding year.

With regard to the Company's supplying the fund for the development work, I must say that the Company has discharged its function very well. In Korea, although the agriculture crops were on the whole greatly diminished on account of the unusual draught the country experienced last summer, the price of agricultural products was very high, and it made the Korean farmers comparatively well-off whilst it raised the price of land very much, which again greatly encouraged the reclamation of waste-lands and dry beaches besides agricultural improvements such as irrigation and water utilization, etc. Over and beyond these agricultural improvements great amount of funds was needed for the industrial works as well as for the construction of railways in Korea. This need was also well met by the Company.

In Manchuria, the business activity was very lively and an enormous sum of money was needed for the enterprise newly launched by the Japanese, whilst a scarcity of houses and factories there, offered great opportunity for the promotion of public works in general. Consequently, the Company's loan increased by leaps and bounds during the business year.

Regarding the branch office recently opened at Kharbin, it must be said that the Company has limited the loan only to those absolutely indispensable from the fact that the financial state there has been very uncertain owing to the Bolsheviki troubles and the fall of the Russian rouble.

In Tsingtao and its neighbourhood, as there were scarcely any banking corporations which might make long loans on the security of immovable property, the Company made loans to those people who are most reliable only after making minute investigation of the personal credit. The Company's total sum of loans made during the business year amounts to ¥70,000,000 which is more than that of the previous year by ¥38,000,000.

Concerning the Company's subscribing or underwriting shares or debentures issued by the corporations engaging in dealing with emigrants or in development undertakings it must be said that after a most careful consideration, the Company decided to subscribe 412,000 shares of thirteen companies besides

the Korean Electric Industry Company amounting to ¥5,007,-250. This being added to the number of shares previously subscribed, the Company actually had 525,903 shares in all which amounted to ¥2,802,650 at the end of the year, whilst the Company have subscribed the debentures amounting to ¥3,250,000 of the Over-Sea Industrial Company and two other companies. This made the whole debentures subscribed by the Company ¥7,725,190 at the end of the year.

Referring to the agricultural work in Korea, it must be said that, owing to the failure of water supply caused by an unusual draught which the country experienced during July and August last year, the rice crops would be about 20 per cent less than the average crops. But by the timely precautions taken by the Company the land rent was paid in by the peasants without any serious difficulty. The crops other than rice were so good that the actual harvest of a farmer amounted to 99.9 per cent to that which had been pre-estimated.

Again, regarding the rice cultivation improvement, the Company has always been trying to diffuse improved seeds; and more than 50,000 acres have been planted with improved rice seeds, of which about 5,000 acres have been planted during this year. During the year 1920 about 2,000 acres will be newly planted with the same.

Furthermore, in order to prevent the seed from degeneration the Company began to carry out, as previously arranged, the renewal of the seed every three years. During this year, about 15,000 acres have been renewed. On a plantation-field where the improved seed will not thrive, the best seed among the seeds growing indigenously in that locality was selected and sowed. It is said that more than 32,000 acres of land are going to be planted with renewed seeds by the end of 1923.

Again, the Company has been most successful in supplying seeds, manures, agricultural tools in advance. More especially, bean-refuse, superphosphate of lime, rice-bran, seed-refuse have been applied to 50,000 acres of the farm with a remarkable result of increase of rice crops. It is said that every 2 cakes of bean-

refuse used as manure gave the increase of rice by 4 bushels per half an acre.

Owing to the outbreak of an epidemic, the calamity caused by the draught and then by the typhoon, etc., the tobacco crops did not come up to expectations. But the Company raised about 200,000 lbs. of the Turkish Tobacco and about 20,000 lbs. of the native tobacco.

Regarding the reclamation work it must be said that the Company has been doing its best in reclaiming the waste-land, in constructing irrigation systems and other water-utilization work. For instances.

Six reservoirs have been newly constructed for the nearly 1,000 acres of land owned by the Company, which had formerly no water supply whilst about 500 acres of waste-land belonging to the Government in Muan-gun, Zenra Nando, and about 300 acres in Ryoko-gun, Heian Nando have been successfully reclaimed by the Company, besides about 5,000 acres of waste-land and dry-beaches have been granted to be Company for reclamation. This also will be successfully carried out in the course of a few years.

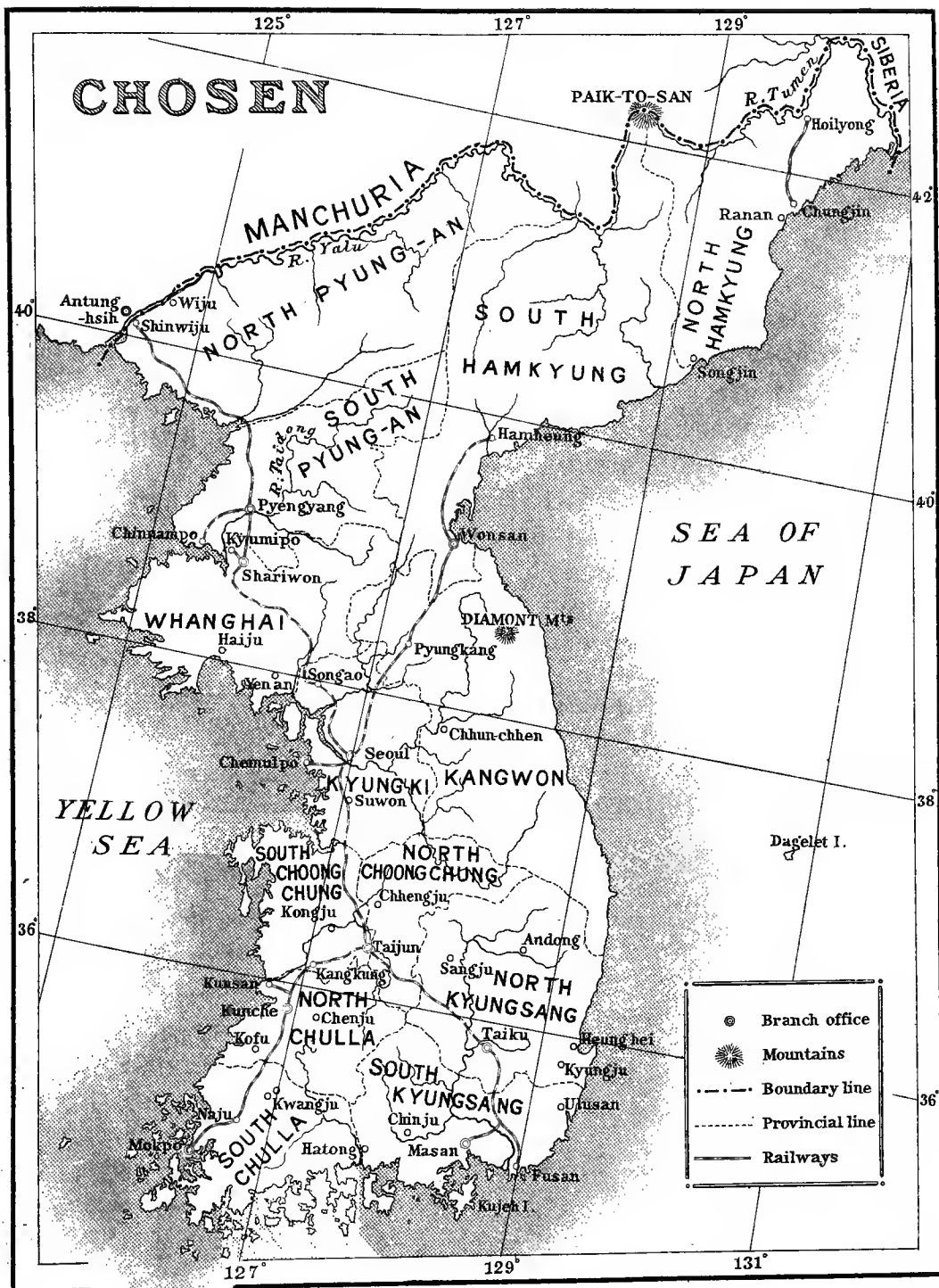
With regard to the afforestation work carried out by the Company it is fair and just to say that they have been very successful.

The Company at present possesses about 70,000 acres for forestry work which promises much indeed.

In reference to the work of sending settlers into Korea, it must be said that the Tenth Emigration of settlers took place during this year. The Company so far succeeded in immigrating 680 families out of 2,000 applicants. These 680 families are scattered into 68 different counties throughout Korea. About 3,200 acres in all are cultivated by them. There are at present 3,900 families of these settlers in all, cultivating about 16,000 acres of land. Generally speaking, the settlers are doing very well. They are very industrious and take delight in the work in which they are engaged whilst their economic status is being much improved by the increase as well as the high price of agricultural products.

The Company is now co-operating with the Government authorities as well as the Japanese people in Korea in perfecting educational, sanitary and other social amelioration.

Finally, I must say that the Company's work is making good and steady progress in every direction. In fact, the Company's credit is so great that about ¥900,000 of its debt was paid off from the premium of the Company's debentures, etc., whilst increase of the dividend is going to be decided at this very general meeting to-day.





Appendix B.

ECONOMIC CONDITION OF CHOSEN.

Preliminary Remarks: The Oriental Development Company, Limited, was originally established for the purpose of developing the natural resources in Korea. This original aim and purpose of the Company could be seen very clearly from the fact that the development work in Korea is still occupying a greater part of the Company's business although the Company recently has extended its sphere of activities far and wide. In fact, it has its branch offices in different parts of Manchuria, Mongolia, Central China and Eastern Siberia and also in some of the South Sea Islands. Korea itself, however, remains the central field of the Company's work. Such being the case, a few words concerning the Economical as well as the industrial state of Korea may not be out of the place added here.

CHAPTER I.

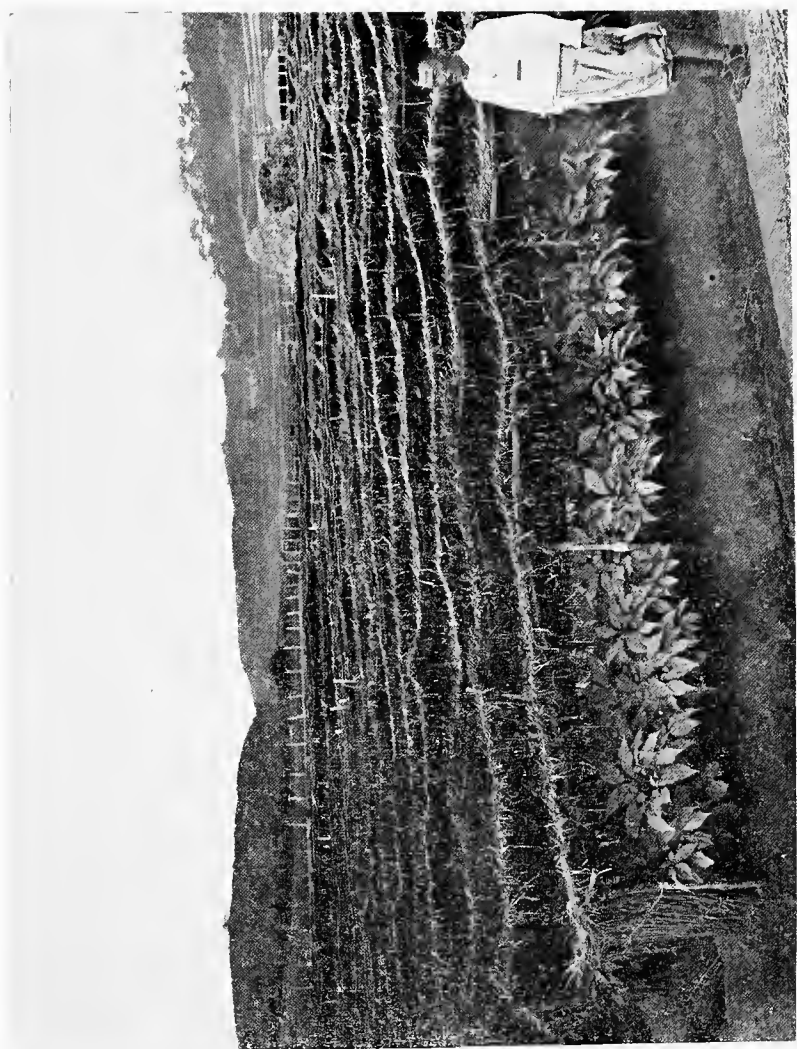
GENERAL REMARKS.

Korea or Chosen as it is called is a country which extends between the Lat. 34-43 N. and the Long. 125-130 E. forming a peninsula, which is about 600 miles long by 135 miles broad. It is, therefore, a little more than 80,000 square miles in its area. It is divided on the North, from Manchuria by the Yalu River. On the north-east, the Tuman King river separates it from the Russian Territory. It borders on the South the Strait of Tsushima, on the East the Japan Sea and on the West the Yellow Sea.

A range of mountains closely following the Eastern coast leaves only a narrow tract of land for cultivation. But in the West the mountains slope more gradual whilst the Rivers Taidong and Han and their tributaries, some of which are navigable for some distance, traverse this western part of the country. The valleys are on the whole comparatively fertile and generally capable of irrigation. The East Coast of Korea which borders the Japan Sea is not indented with many bays and harbours and the sea is tideless. The only harbours on this coast are Gensan and Seisin. On the contrary, the south as well as west coast is very much indented with many bays and harbours whilst many islands are scattered off the coast. On the western coast the sea is shallow, and affected by strong tides whilst the character of the south coast is more abrupt, with deeper water. The well known harbours along the coast are Fusan, Moppo, Gensan, Jinsen, Chinnanpo.

The climate differs very much. The thermometer ranges from 32°C. to below zero. In Fusan district, for instance, the average is 13°C., but the northern part of the country is much colder and there generally the rivers are frozen for months. It is said that Gensan District which is in the north is colder by ten degrees than Jinsen and other southern districts. Between October and May it has generally the North or the West wind whilst it has the south wind generally prevails during June, July and August. The rain fall is almost entirely in summer and the snow fall is in winter. The annual average of rain or snow fall is said to be about 1,000 millimetre in the south-eastern district and Fusan district which is on the western coast and Gensan which is situated on the north-eastern coast about 1,400 millimetre whilst in the northern plateau about 600 millimetre.

For a long time the erroneous idea about the climate of Korea prevailed amongst the outsiders. By them its cold and heat had been exaggerated to the extreme, and it was carelessly presumed that the country was not fit for agriculture from its scarcity of rainfall. Nothing however could be farther from the truth than these wrong notions about the Korean climate.



The Ginsen under cultivation.



The Korean Farmers dressing tobacco leaves.



The Settlers taking care of beans.



The Cotton under cultivation.

In fact, the climate in certain parts of Korea is much better, and certainly it is far more suitable to agricultural purposes, than that of Japan.

The population of Korea, at the end of December, 1918, was found to have been 17,057,032 persons, in 3,237,961 families. These may be subdivided into the following figures :

Koreans : 16,697,017 persons in 3,139,140 families;

Japanese : 336,872 persons in 93,626 families;

Foreigners : 23,143 persons in 5,195 families.

The density of population is less than 190 persons per square mile. Korea, therefore, may be said to have plenty room for the increased of population provided that the land-production is increased by means of agricultural improvement as well as industrial development.

CHAPTER II.

INDUSTRIES IN KOREA.

Strictly speaking the industries in Korea at present may be divided into two classes; Primitive industries and Modern factory industries. To the former class belong the agricultural industry, stock-farming, forestry, mining industry and aquatic products industry, whilst to the later belong Gas, Electric and other modern factories.

1. THE AGRICULTURAL INDUSTRY IN KOREA.

Korea has been an agricultural country. In the southern part of the country the climate is mild and good throughout the year. Even in winter, cold as it is, the wheat grows fairly well in the south. There is no fear of freezing, whilst in April it becomes warm suddenly and the air gets gradually dry. So that the agricultural products in the south are reputed to be on the whole of good quality. With the completion of the irrigation system the area of the rice-field will be greatly increased, although the cultivation of rice at present is not so

successful as it should be owing to the scarcity of water in summer.

It is said that of all the arable lands in Korea about 7,930,000 acres of land are under cultivation already whilst about 162,500 acres of land are not yet cultivated. Of this latter, about 100,000 acres belong to the Government whilst the remaining 62,500 acres are said to be of private possession. Almost all of these could eventually be made into a valuable rice field.

Furthermore, there are a great number of dry beaches found along the Korean coast. Some of them are very big and wide and extend to several thousands acres in area. These could also be made very good land for cultivation if the necessary expenses be expended, which expenses big as they may be, will surely be paid back in time.

Among the chief agricultural products of Korea, rice, beans, barely, cotton, tobacco and ginsan, etc., may be mentioned.

2. STOCK-FARMING.

Stock-farming has been more prosperous in Korea than it was in Japan. As a result, the country is comparatively rich in stock-lives such as the cattle, the horse, the donkey and the swine.

The cattle in Korea are comparatively big and strong and are very tame and quiet. They are used in many ways. The horses are small but they are pretty strong and active and are very useful not only as a beast of burden but also as a carrier of man and woman. The donkies are also used as beasts of burdens but they are not many in number nor very strong.

Among the live-stocks in Korea, the rearing of cattle is a most promising one. Kankyo Nando, Kankyo Hokudo, Heian Nando, Heian Hokudo, Keisho Nando and Keisho Hokudo are well known homes of the cattle.

In fact, the cattle breeding occupies an important place in stock farming in Korea since the cattle form the principal merchandise of a Korean market.

There is, however, much room for improvement in methods of breeding.

3. FORESTRY.

Forestry seems to have a great future in Korea. In fact, the work of forest planting is now being carried out by many large corporations such as Messrs. Mitsui & Company, the Fusan Schools Corporation, The Korean Noblemen's Forestry Association, The Kawasaki Experimental Farm, besides the Oriental Development Company, Ltd., whilst very many individuals in different localities have begun the steady work of afforestation within their means. Among the trees planted and which grow comparatively rapidly, the quasi-*Accacia*, the red-pine, the poplar, the chestnut tree and the tree known as *quer'cus glanduli'fera* may be mentioned.

4. THE MINING INDUSTRY.

The mining industry in Korea is also a promising one. The chief mineral products are gold, silver, copper, iron, mercury, zinc, lead, black-lead, coal, etc.

The annual product of gold amounts to ¥10,000,000 at least. The gold mine at Unzan alone produces annually about ¥3,500,000 whilst that of Suian amount ¥2,000,000. Next to the gold mines come the iron mines, a great quantity of brown iron ore is produced whilst red iron ore from the iron mine at Angaku is well known.

The magnetic iron ore is found in several iron mines but the quantity is said to be limited.

5. THE ACQUATIC INDUSTRY.

The coast line of the Korean peninsula including its islands reaches 9,300 knots in length. Along the Eastern coast the sea is deep and the coast has very little difference of tide and it is touched by the cold stream from the sea of Okotsuku. Thus the cod-fish, the herring and many other cold stream fish are found off the eastern coast. On the other hand, the warm stream touches the western coast and this brings the turbot, the fish called *cybium Niphonium* (Sawara) and many other warm stream fish to the sea along the coast of Fusan and Moppo.

The Korean coast from Moppo in the south to the mouth of the Yalu River in the northwest is washed by the Yellow sea. The coast is indented by many small inlets whilst it has many isles dotted along the sea coast besides it has sounds and deltas. The sea is comparatively shallow, the deepest of the Yellow sea being 50 fathoms. Even in winter time the warm stream brings to this coast the warm stream fish and keeps the fishermen very busy all through the year. Moreover, small islands scattered off the south-western coast give the aquatic animals a shelter for the development and fostering of their kinds. Among the fish, the sea-bream, the sea-bass, the turbot, the cod-fish, the herring, the sardine, the mackerel, the bonito, the shark, cybium Nipponium, the white-bait and the devil fish are very common whilst some of the sea animals such as the dolphin, the seal and the fur-seal are found off the North-eastern coast of Korea. The edible sea-weeds such as the larba and the tangle are also found in plenty.

In the year 1909, the whole income enjoyed by the people was estimated to have been ¥7,240,000 of which ¥3,690,000 by the Koreans and ¥3,550,000 by the Japanese, but in 1917 the whole income amounted to ¥32,860,000, of which ¥14,670,000 was earned by the Koreans themselves whilst the remaining ¥18,190,000 by the Japanese.

CHAPTER III.

PROGRESS OF THE MODERN MANUFACTURING INDUSTRY IN KOREA.

It is very fair and just to say that the modern manufacturing industry had made very little progress in Korea previous to the time when the country was incorporated into Japan in 1908. But no sooner had order and peace been established than larger investments began to be made in the agricultural and mining industries as well as other industrial work in the peninsula. Moreover, the cheapness of labour at the time naturally attracted the attention of the enterprising capitalists; and a large

amount of capital began to flow into the country. Thus the modern manufacturing industry took its rise in Korea and at present it is making good and steady progress whereas the system of banking organization is being completed for the purpose of giving facility to the development of the country.

At the end of 1917 there were 47 manufacturing companies with ¥5,863,000 of paid-up capital whereas at the end of 1918 there were 66 of those with ¥7,885,000 of paid-up capital besides 14 Gas and Electric companies with ¥1,370,000 of paid-up capital. The capital of those eighty or more companies is said to amount over ¥40,000,000 but the number of the Companies as well as the amount of the capital is ever on the increase.

The number of factories in Korea and the amount of paid-up capital and the annual output of production estimated for the last 7 years (1911-1917) may be tabulated as under :

Year	Factory Number	Index N.	Capital	Index N.	Operatives	Index N.	Output estimate	Index N.
1911	252	100	¥10,613,000	100	14,575	100	¥19,639,000	100
1912	328	130	13,121,000	125	17,376	119	29,362,000	150
1913	532	211	17,478,000	165	21,032	144	36,066,000	184
1914	654	260	17,371,000	164	20,963	144	32,754,000	167
1915	782	310	21,113,000	199	24,539	168	45,931,000	234
1916	1,075	427	24,613,000	232	38,646	265	59,026,000	300
1917	1,358	589	39,038,000	368	41,543	285	98,972,000	504

These figures show how rapid is the progress of the manufacturing industry in Korea. During these 7 years the number of factories was increased nearly six times with average annual addition of 157 factories whilst the number of operatives was almost trebled. Moreover, it is said that the number of the power engines used was 619 at the end of 1917, which had been only 149 in 1911. This is about fourfold. In 1911, the capital amounted to ¥10,613,000. But this was increased to ¥39,038,000 in 1917. This is more than three and half fold whilst the annual production was increased with leaps and bounds from ¥19,639,000 in 1911 to ¥98,932,000 in 1917. This is more than five times increase. But the year 1918 witnessed a still greater progress. The number of factories reached to 1700 with 46,749

operatives, whilst the amount of capital was ¥48,309,000 with an output of an annual production amounting to ¥156,801,000.

From these facts it will not be very difficult for any one to form a correct opinion concerning the future progress and development of industry in Korea. Indeed, the prospect of the manufacturing industry in Korea is as bright as that of the agriculture. It is also said that the introduction of some new schemes and plans are now under consideration which no doubt will promote the industrial progress still greater when executed.

CHAPTER IV.

CURRENCY AND BANKING.

In August, 1910, the Japanese currency was introduced into Korea so that the whole Empire might come to use gradually one and the same unified currency. With this object in view the coins issued under the old regime were allowed only to be circulated until the end of December, 1920. But at present, the bank note issued by the Bank of Chosen are the chief medium of circulation. The volume of coins in circulation for the last four years may be tabulated as under :

Rough Estimate of Coins in circulation.

Year	Gold	Subsidiary coin	New coin issued by the old Korean Government	Bank Note of the Bank of Japan	Bank Note of the Bank of Chosen	Sum total
1916	¥ 5,000	¥ 5,352,000	¥ 1,193,000	¥ 132,000	¥ 46,627,000	¥ 54,030,000
1917	3,000	5,848,000	1,905,000	366,000	60,910,000	69,034,000
1918	3,000	8,247,000	1,905,000	160,000	93,175,000	103,491,000
1919	3,000	8,958,000	1,905,000	215,000	80,056,000	91,138,000

MONEY MARKET IN KOREA.

(1) Banking Organ: It goes without saying that the Bank of Chosen is the centre of all the Banking organs in Korea. The Oriental Development Company's Banking Department as well as the Agricultural and Industrial Bank of Chosen serves

as the Banking organ of industry whilst 19 banks (of which 16 have their head offices in Korea, the rest in Japan) do the work of the Commercial Banking organs besides 340 small local banking associations which are doing the service of a banking organ for the smaller amount but wider in circulation.

(2) Rate of interest: The rate of interest used to be very high in Korea. This naturally hindered the industrial development of the country very much. The agricultural and industrial banks and small local banking associations were started by the Government in almost all towns and large villages so that the rate of interest might be lowered. Besides, in Nov., 1911, the Law against usury was issued and enforced and the maximum rate of interest was fixed to be less than 30 per cent. Furthermore, The Bank of Chosen ever since its establishment has been endeavouring to lower the rate of interest in Korea giving guidance to the money market in Korea. As a result, in 1909, the average interest was at the rate of 4 sen 8 rin per diem but it was gradually on the descendant and in 1915 it was at the rate of 3 sen 6 rin per diem whilst in December, 1918 it was at the rate of 3 sen 2 rin per diem.

CHAPTER V.

THE SYSTEM OF COMMUNICATION IN KOREA.

I. RAILWAY IN KOREA.

The trunk line of the State owned Railway traverses the peninsula from one end to the other. This railway line practically consists of two main lines which are known as the Keifu Line and the Keigi Line. The former line starts from Fusan and reaches Keijo, the capital of Korea, whilst the latter starts from Keijo and reaches Shin Gishu, which is the terminus of the line. This line, however, crossing the Yalu River by the Railway Bridge into the Chinese territory joins the South Man-

Note: 5 sen consists of 50 rin which corresponds to one tenth of one shilling. So 4 sen 8 rin is a little more than a penny.

churian Railway. This trunk line, therefore, is practically running between Fusan, the sea port town on the south-eastern coast, and Antung, a town on the Chinese side of the Yalu River. The main line only is 592 miles long, whereas it has two branch lines worth mentioning which amount to over 300 miles in all. These branch lines are; 1st, the Konan Line, which starts from Taiden, a station on the Keifu Railway Line and reaches Moppo. The whole line is 176 miles long; and the 2nd, the Keigen Line, which starts from Ryusan, a station on the Keifu Line and reaches Gensan. Besides these branch lines there is a new line under construction which is going to run between Gensan and Kainei, 30 miles of which is already opened for traffic. Including all short branch lines, the whole railway line in Korea amounts to 1,100 miles in all.

A light railway and tram way in Korea amounted to 1,197 miles at the end of September, 1919. Of this 272 miles are already opened for traffic. The Government encourages the laying of light railways by granting a certain amounts of subsidies and there are at present several light railway companies organized.

II. THE CONDITION OF ROADS IN KOREA.

As a rule, all the roads in Korea were narrow and very rugged. In old days the overland transportation was generally done on the backs of men and beast. In 1911, the Government set up a new scheme for the construction of improved roads all over the country. According to this scheme, 96 lines of new roads, amounting to 3142 miles long in all, have to be constructed. Of which 685 miles long were completed in March, 1918. These new roads are all wide and are good enough for motor cars. The remaining part are now in course of construction.

III. THE CONDITION OF TRANSPORTATION BY SEA.

Korea had no good harbours or sea ports worth mentioning except a few new open ports. Even these few ports are

nothing but natural inlets or bays used for loading and unloading small junks. Steam ships of good size had to cast anchor few miles off the coast.

In 1906 for the first time the Japanese Government began to look after the affairs of Korea; and during this very year, the construction or reconstruction of the harbour and the improvement of the sea ports were started by the Government. Old ports of Jinsen, Fusan, Chinnanpo, Gunsan, Moppo, Keijo and Gensan have begun to be greatly improved. In 1910, the reconstruction of the four last named ports were nearly completed. But to complete more thoroughly these first named ports Jinsen, Fusan and Chinnanpo—it was found that another eight years or more would be needed whilst its expenditure was estimated to be ¥8,270,000. In the year 1915, however, Gensan had to be enlarged, whilst in 1917 again, the original scheme of Jinsen harbour had to be greatly altered and to be done on a larger scale. Thus the Government will have to spend about ¥12,130,000 in all by the time when almost all these ports are completed. Only a small part of Jinsen harbour and that of Kentsan are not yet completed. Needless to say that after the further completion of the harbours and ports along the coast of Korea not only they will facilitate the communication of the country by sea and land but also will contribute to the development of industry and commerce. So far the policy followed by the Government for the improvement of the ports being successful, the number of ships increased tremendously in course of past 9 years. The recent statistics show that the number of vessels was increased fifty three times whereas in the tonnage it was increased tenfold.



